



---

# ***Daily Report***

## **East Asia**

FBIS-EAS-96-039  
Tuesday  
27 February 1996

This report may contain copyrighted material. Copying and dissemination is prohibited without permission of the copyright owners.

# Daily Report

## East Asia

FBIS-EAS-96-039

### CONTENTS

27 February 1996

**NOTICE:** An \* indicates material not disseminated in electronic form.

#### NORTHEAST ASIA

##### Japan

Japan: MITI Official Rejects U.S. Semiconductor Pact Extension [KYODO]	1
Japan: Semiconductor Talks With U.S., EU Likely in Mar [YOMIURI SHIMBUN 24 Feb]	1
Japan: Editorial Urges Abolishment of Semiconductor Accord [TOKYO SHIMBUN 24 Feb]	1
Japan: Hashimoto Says Clinton Attitude on Bases 'Very Positive' [Tokyo TV]	2
Japan: Daily Views Effect of USFJ Strength Reduction [ASAHI SHIMBUN 25 Feb]	3
Japan: Article Suggests Relocation of U.S. Marines to ROK [ASAHI SHIMBUN 22 Feb]	5
Japan: Foreign Ministry Preparing for Ikeda's Russia Visit [ASAHI SHIMBUN 23 Feb]	6
Japan: Talks With Australia on Regional Security End [Melbourne International]	6
Japan: Hashimoto, Mahathir Agree on Need for ASEM Success [KYODO]	7
Tokyo Not To Propose Hashimoto-Kim Meeting During ASEM [YOMIURI SHIMBUN 23 Feb]	7
Japan: Foreign Ministry Official Views ASEM Meeting [Japan Ministry of Foreign Affairs WWW/	7
Japan: Murayama Vows To Work for Better Ties With DPRK [KYODO]	9
Japan: Report Says DPRK Soldiers Get Rice Before Flood Victims [SANKEI SHIMBUN 22 Feb]	10
Tokyo-Seoul Tension Running High Over Takeshima [KYODO]	10
Japan: Ikeda Wants Fishery Pacts With PRC, ROK 'Within a Year' [KYODO]	11
Tokyo Announces Donation, Condolences to Peru [KYODO]	12
Japan: Agency Studying To Revise Copyright Protection Law [KYODO]	12
Japan: FTC Decides To Create International Division [KYODO]	12
Japan: Murayama Did Not Expect 'Jusen' To Become 'Big Issue' [KYODO]	13
Japan: Hashimoto Denies Involvement in Unlawful Loan Scandal [KYODO]	13
Japan: Vice Minister Apologizes for Jusen Fiasco Remark [KYODO]	14
Japan: EPA Chief Urges Bank Heads To Resign Over 'Jusen' [KYODO]	14
Japan: Firms Linked With 'Jusen' Debtor Change Names, Executives [KYODO]	15
Japan: Dispute Over Work Hours Continues in Auto Industry [KYODO]	15
Japan: Shinshinto's 'Open Election' Detailed [GENDAI Feb]	16

##### North Korea

DPRK: Arrival of U.S. Carrier in Pusan Seen as 'Provocation' [Pyongyang Radio]	23
DPRK: SKNDF Accuses Kim Yong-sam of Irregularities in Fund Scandal [KCNA]	23
DPRK: ROK Excoriated for 'Inhuman Act' of Seizing Medicines [KCNA]	24
DPRK: 'Chain of Suicides' in ROK Linked to Kim Yong-sam Misrule [KCNA]	25
DPRK: ROK Urged To Replace Corrupt Forces With Progressives [KCNA]	25
DPRK: Symposium in Japan Reviews Chuche Idea, Japan-DPRK Friendship [KCNA]	25
DPRK: Koreans in Japan Support Making 1996 Year of Peace, Unity [KCNA]	26
DPRK: Japan Must Acknowledge Past Crimes, Make 'Apology' [KCNA]	27
DPRK: Council on Supporting Korean Reunification Held in Prague [KCNA]	27
DPRK: Kim Yong-sun Meets With CNN Senior Vice President 26 Feb [KCNA]	28
DPRK: Kim Chong-il Receives Gift From CNN Senior Vice President [KCNA]	28
DPRK: ROK Theologian Views Kim Chong-il as 'God Upon Earth' [KCNA]	28
DPRK: History of Use of Guns in Revolution Reviewed [KCNA]	29



DPRK: Strengthening People's Government 'Guarantee' of Socialism [MINJU CHOSON 21 Dec] .....	30
DPRK Editorial on Implementing Revolutionary Economic Strategy [MINJU CHOSON 6 Dec] .....	32
DPRK: Farming Preparations Required for Next Year's Harvest [MINJU CHOSON 5 Dec] ...	34
DPRK Recalls Representative in Macau in Wake of Defections [Hong Kong EASTERN EXPRESS 24-25 Feb] .....	36
DPRK Guidelines for Production of Revolutionary Movies Reviewed [KCNA] .....	37

## South Korea

ROK: U.S. CIA, State Department Views on DPRK Show 'Confusion' [KYONGHYANG SINMUN 24 Feb] .....	37
ROK: Transfer of AFKN From VHF to UHF Nears Completion [YONHAP] .....	38
ROK: Former Wife of Kim Chong-il Reported 'Likely' in U.S. [MUNHWA ILBO 24 Feb] ....	38
ROK: Defector Says KPA Under 'Complete Control' of Kim Chong-il [SEOUL SINMUN 26 Feb] .....	39
ROK: Japan Demands Greater Slice of Light-Water Reactor Contract [The Digital Chosun Ilbo WWW] .....	41
ROK: Japan Sounds Out DPRK's Intentions To Resume Negotiations [CHUNGANG ILBO 24 Feb] .....	41
ROK: Samsung Electronics To Invest \$630 Million in India [THE KOREA TIMES 27 Feb] ...	41
ROK: NKP Strategy for Winning General Election Examined [CHUGAN CHOSON 8 Feb] ...	42
ROK Political Situation as 11 Apr Election Date Approaches [SINDONG-A Feb] .....	44
ROK: Yi Kwang-hak Appointed Air Force Chief of Staff [YONHAP] .....	51
ROK: Securing Rice Self-Sufficiency 'Top Priority' [THE KOREA TIMES 27 Feb] .....	51
ROK: NPA Determined To Curb Computer-Related Crimes [THE KOREA TIMES 27 Feb] ...	53
ROK: Prosecution of 5 Key 1979 Coup Participants Planned [YONHAP] .....	53
ROK: Korean Religious Leaders Meet in China, Agree on Programs [YONHAP] .....	54

## SOUTHEAST ASIA

### Brunei, Malaysia & Singapore

#### Malaysia

Malaysia: Foreign Ministry 'Source' on ASEM Issues [BERITA HARIAN 26 Feb] .....	55
Malaysia: Commentary Reviews ASEM's Bangkok Summit Agenda [Kuala Lumpur International] .....	55
Malaysia: Editorial Discusses Expansion of ASEM Membership [UTUSAN MALAYSIA 26 Feb] .....	56

#### Singapore

Singapore: ROK President's Visit 'Milestone' in Ties [Singapore Radio] .....	56
--	----

#### Cambodia

Cambodia: Hun Sen on U.S. 'Respect' for Human Rights Issue [Phnom Penh Radio] .....	56
Cambodia: Thai Firms Negotiate for Pailin Gems, Timber [PHNOM PENH POST 23 Feb-7 Mar] .....	57
Cambodia: Prime Ministers Find Fault With RAC Service [REAKSMEI KAMPUCHEA 27 Feb] .....	58
Cambodia: Paper Faces Press Law, Constitution Test Case [PHNOM PENH POST 23 Feb-7 Mar] .....	59
Cambodia: Khmer Rouge Details Attacks at Sisophon-Poipet [Radio PGNUNS] .....	60
Cambodia: Khmer Rouge Claims 26 'Enemy Personnel' Killed [Radio PGNUNS] .....	60
Cambodia: Khmer Rouge Denounces Government Conscription Law [Radio PGNUNS] .....	60
Cambodia: Khmer Rouge Claims Government's Northern Commander Killed [Radio PGNUNS] .....	61

#### Indonesia

Indonesia: Article Previews Asia-Europe Meeting [KOMPAS 26 Feb] .....	61
---	----



Indonesian Military Sources: Irian Jaya Hostages Held in Cave [KOMPAS 27 Feb]	63
Indonesia: OPM Representative Discusses Irian Jaya Hostages [Melbourne International]	64
Indonesia: Protesters Assail Irian Jaya 'Rights Violations' [AFP]	64
Indonesia: Islam Advances Among Young Urbanites [SUARA KARYA 1 Feb]	65
Indonesia: East Timor Development Said Progressing Rapidly [SUARA KARYA 1 Feb]	66
Indonesia: Conglomerate Plans To Build Hyundai Auto Plant [SUARA PEMBARUAN 3 Feb]	68
Indonesia: Government Plans To Promote Pulp as Top Export [SUARA KARYA 2 Feb]	69

## Laos

Lao Agriculture, Forestry Minister Returns From Thailand [Vientiane Radio]	69
Laos: Aide Memoir on Exchange Visits Signed with Rangoon [KPL]	70
Lao Labor, Social Welfare Minister Leaves for Burma [Vientiane Radio]	70

## Philippines

Philippines Officials on 'Massive' MNLF Recruitment [PHILIPPINES DAILY INQUIRER 17 Feb]	70
Philippines: Abu Sayyaf 'Bandits' Abduct Teacher [Quezon City Radio-TV]	71
Philippines: Oil Import Bill Rose 18.6 Percent in 1995 [PHILIPPINE DAILY INQUIRER 19 Feb]	71

## Thailand

Thai Deputy Prime Minister Amnuai Views U.S. Drug List [Bangkok Radio]	71
Thailand: Concurrent NGO Meeting Not To Affect ASEM Security [THE NATION 22 Feb]	72
Thai CIB Identifies Major Security Risks for ASEM Summit [THE SUNDAY NATION 25 Feb]	72
Thai Police Establish Antiterrorist Center for ASEM [THE NATION 26 Feb]	73
Thailand: Banhan Plans Bilateral Talks With Leaders at ASEM [THAILAND TIMES 25 Feb]	73
Thai Former Minister Suphachai Interviewed on ASEM [MATICHON 26 Feb]	74
Thai Daily on Need for 'Single Voice' at ASEM [THAILAND TIMES 26 Feb]	75
Thailand: Banhan on Possible ASEM Agenda Conflict [Bangkok Radio]	76
Thai Police Arrest 2d Alleged Aum Shinrikyo Cult Member [BANGKOK POST 23 Feb]	77
Thailand: Japanese Embassy Confirms Ota's Links to Cult [BANGKOK POST 24 Feb]	78
Thai Official Details Request to Malaysia on Border Wall [Bangkok Radio]	78
Thailand: Vietnamese Crewmen Held for Piracy [THE NATION 20 Feb]	78
Thailand: Telephone Cooperation Accord Signed With Laos [KRUNGTHEP THURAKIT 22 Feb]	79
Thailand: Proposed Amendments to Insurance Act Noted [BANGKOK POST 22 Feb]	79
Thailand: Rising Trade Value Bolsters Competitiveness [THAILAND TIMES 24 Feb]	80
Thailand: Domestic Savings Mobilized To Counter Account Deficit [Bangkok Radio]	80

## Vietnam

SRV: Indian Leaders Receive Prime Minister, Foreign Minister [VNA]	81
SRV: Intergovernmental Committee Meeting Held With India [VNA]	81
SRV Commentary Views Relations, Cooperation With Spain [Hanoi International]	82
SRV Trade Ministry Plans To Export Two Million Tonnes of Rice [VNA]	82
SRV: General Secretary Visits Hanoi Locomotive Enterprise [VNA]	83
SRV Officials Claim Success in Curbing Tet Inflation [VNA]	83

## AUSTRALASIA

### Australia

Australia: Editorial Views Decline in Foreign Aid Budget [THE SYDNEY MORNING HERALD 24 Feb]	85
---	----



Australia: Polls Show Labor Closing Gap, Still Trailing [ <i>THE SYDNEY MORNING HERALD</i> 24 Feb] .....	85
Australia: Prime Minister Said To Win Leaders' Debate [ <i>THE AUSTRALIAN FINANCIAL REVIEW</i> 26 Feb] .....	86
Australia: Editorial Views 'Great Debate,' Stresses Budget [ <i>THE AUSTRALIAN FINANCIAL REVIEW</i> 26 Feb] .....	87
Australia: Opposition Consolidating Lead on 'Marginal' Seats [ <i>THE AUSTRALIAN FINANCIAL REVIEW</i> 26 Feb] .....	88
Australia: Opposition Retains 'Formidable' Lead in Opinion Poll [ <i>THE AGE</i> 26 Feb] .....	89

#### Niue

Niue: Frank Lui Reelected Island's Leader for 3-Year Term [ <i>Melbourne International</i> ] .....	90
--	----

#### Vanuatu

Vanuatu: Foreign Missions Accused of Interfering in Politics [ <i>Melbourne International</i> ] .....	90
Vanuatu: Australian Ambassador Denies Interfering in Politics [ <i>Melbourne International</i> ] .....	90

## Japan

### Japan: MITI Official Rejects U.S. Semiconductor Pact Extension

OW2702054196 Tokyo KYODO in English  
0415 GMT 27 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 27 KYODO — Japan will not agree to extend the bilateral semiconductor agreement with the United States, a trade ministry official said Tuesday [27 February], commenting on a U.S. trade official's remark that Washington is not asking for numerical goals in the pact.

"No governmental agreement (on semiconductors) is necessary, whether you have numerical targets or not," the official at the Japanese Ministry of International Trade and Industry said. "Japan's semiconductor market has no problems."

Ira Shapiro, the chief U.S. trade negotiator for Japan, told the Japan-U.S. business conference in San Francisco on Monday that the U.S. Government and chip industry have notified the Japanese side of their intention not to seek any numerical targets under the pact.

Shapiro reiterated the U.S. call for the chip accord to be extended beyond the July 31 expiration date. "We are concerned that without a government-to-government agreement, the process could be slowed or even reversed," Shapiro said.

The current agreement calls for a steady increase in the foreign share of the Japanese chip market above 20 percent. The Japanese side argues the accord should be scrapped when it expires in July because the 20 percent goal has been cleared.

Meanwhile, Japan, the U.S. and Europe are expected to hold semiconductor talks in mid-March, Vice MITI Minister Tomio Tsutsumi said Monday. It is not known whether the Japan-U.S. pact will be on the agenda of the meeting.

### Japan: Semiconductor Talks With U.S., EU Likely in Mar

OW2602050396 Tokyo YOMIURI SHIMBUN  
in Japanese 24 Feb 96 Evening Edition p 1

[By Hirotaka Terai]

[FBIS Translated Text] Santa Monica, 23 Feb — On 23 February, a government source disclosed that Japan, the United States, and the European Union (EU) will hold Japan-U.S.-EU semiconductor talks in Brussels on or about 11 March.

So far, EU has been wary of Japan and the United States signing an important agreement, such as one

on semiconductors, and has strongly demanded that semiconductor talks be held between the three countries.

Japan simply wants to exchange opinions on current conditions in the Japanese, U.S., and European semiconductor markets without touching on the issue of extending the Japan-U.S. semiconductor agreement.

Bureau chief class officials of the Ministry of International Trade and Industry, the U.S. Trade Representative, and the EU will attend the talks.

### Japan: Editorial Urges Abolishment of Semiconductor Accord

OW2602143296 Tokyo TOKYO SHIMBUN  
in Japanese 24 Feb 96 Morning Edition p 4

[Editorial: "Abolishment of the Semiconductor Agreement Is Desirable"]

[FBIS Translated Text] Japan and the United States are at odds over whether to extend or abolish the bilateral semiconductor agreement. Since the upcoming U.S. presidential election is in the background, the dispute may become a political issue, but it makes sense to abolish the agreement because it will expire.

Prime Minister Ryutaro Hashimoto has departed for the United States and will be holding his first summit meeting with U.S. President Bill Clinton. However, bilateral friction over economic issues is still unlikely to subside. Among such issues is the handling of the bilateral semiconductor agreement, which will expire in July. Japan feels that the agreement should naturally be "abolished," while the United States demands its "extension (renewal)." Thus, the two countries are in direct conflict.

The Japanese and U.S. Governments recently held negotiations on this issue at a regular meeting in the United States, but it has been reported that the two sides merely stated their fundamental stances and failed to resolve the impasse.

Although the United States may have its own problems at home, it would be logical to abolish the existing chip accord when it expires, considering developments so far and the current situation of the Japanese semiconductor market. We hope that the two countries will act calmly and try to reach agreement on letting market principles take over from now on instead of meaninglessly letting the problem develop into a political issue.

Ten years have passed since the semiconductor agreement first came into effect, with a renewal in between. The U.S. Government's original intention was to increase the share of foreign semiconductors in the Japanese market as much as possible and at the same time,



prevent Japanese chipmakers from dumping their products in the U.S. market. However, what has been painful for Japan is the fact that a numerical target was included in the chip accord, which expressly stated that the share of foreign semiconductors in the Japanese market would be targeted at "more than 20 percent."

To be sure, the chip accord, in itself, did bring positive results in the past. However, "numerical targets" became a great symbol in subsequent U.S. negotiations with Japan over economic issues, as well as the seed of serious, futile arguments between the United States and Japan, which objected to the setting of such targets.

Now, things have changed, and the world's semiconductor markets are expanding on a global scale. Reflecting this trend, the status of the Japanese semiconductor market is actually dropping, both in terms of productivity and demand.

The Japanese semiconductor market had a 40-percent share of the world's entire semiconductor market at the time the Japanese-U.S. chip accord came into effect. Now, this figure is only around 30 percent. Asian markets have emerged and replaced the lost Japanese share. Their share has grown to 20 percent. Considering the vigorous economic activity of the Asian region, this figure is likely to keep increasing rapidly.

The Japanese semiconductor market is also undergoing rapid structural changes. For example, the share of foreign-made microprocessing units (MPU) used in personal computers has risen to 80 percent in the Japanese chip market. It is said that due to advances in data communications equipment, high-quality foreign-made semiconductors are now essential components of such equipment. The share of foreign semiconductors in the entire Japanese semiconductor market in the July-September 1995 period exceeded 25 percent. Progress has been made in cooperative relations between Japanese and U.S. semiconductor industries.

Judging from current circumstances, the argument put up by the United States, which claims that an extension of the chip accord is desirable because it is working or that Japan would stop cooperating if the accord were to be abolished, lacks persuasion. Despite the actual situation in the Japanese semiconductor market, some U.S. Government officials reportedly do not want to let go of the chip accord out of political considerations since they consider it a practical example that shows the effectiveness of an accord which has "numerical targets" written into it. In that case, it must be said that these officials are simply stubborn and putting the cart before the horse.

Looking at world trade nowadays, no two countries can conclude a bilateral agreement to sway global markets. Supply and demand depends on market principles. Therefore, market principles should be left to take over. That is desirable, above all.

Next month, Japan, the United States, and the EU are expected to hold talks on semiconductors. If there are problems, it is the trend nowadays to hold multilateral talks, and that is only natural.

Following Prime Minister Hashimoto's visit to the United States, President Clinton is to visit Japan in April to hold talks with the prime minister again. The two leaders are expected to take up the issue of whether to extend the semiconductor accord, in addition to cargo aviation, photographic film, and other issues. However, we do not want to see them come up with an easygoing political solution. We would like to see them reach an appropriate agreement, taking into consideration the actual market situation.

#### **Japan: Hashimoto Says Clinton Attitude on Bases 'Very Positive'**

*OW2702051596 Naha NHK Television in Japanese  
0317 GMT 27 Feb 96*

[Announcer-read report; from "NHK News" program]

[FBIS Translated Text] At the House of Representatives Budget Committee this morning, Prime Minister Ryutaro Hashimoto discussed the basis for his earlier statement that he saw favorable signals for the Okinawa bases issue at his recent meeting with U.S. President Bill Clinton. He said that the President stated that he will give full consideration to the Okinawans' feelings, and showed a positive attitude.

In reply to a question from the Liberal Democratic Party's Yoshinori Ono about his basis for thinking favorable signals could be observed from the President during the recent Japan-U.S. summit, Hashimoto stated:

[Begin Hashimoto recording] In his remarks, President Clinton said that he will do his best to give full consideration to the Okinawan people's feelings, while also considering the needs of the Japan-U.S. security arrangements. He said he will remain flexible. Actually, I had not expected that full consideration of the Okinawans' sentiments would be included in the President's statement. I also think the fact that the word "flexible" was used demonstrated a very positive attitude. [end recording]

Prime Minister Hashimoto made the above remarks and indicated that he will exert utmost efforts to ensure that maximum progress can be achieved on the issue



of U.S. bases in Okinawa during his summit meeting with President Clinton in April.

**Japan: Daily Views Effect of USFJ Strength Reduction**

*OW2702121196 Tokyo ASAHI SHIMBUN  
in Japanese 25 Feb 96 Morning Edition p 4*

[Article by Shunji Taoka, ASAHI SHIMBUN editor: "Reduction of U.S. Forces in Japan Would Have No Impact on Japan's Defense; Japan Would Never Become a Military Power"]

[FBIS Translated Text] While on a visit to Japan in early February, Anthony Lake, assistant to the U.S. President (for national security affairs), in an interview with ASAHI SHIMBUN, said: "If we reduce our troop strength [in Japan], that will prompt a military arms race among China, the countries on the Korean Peninsula, Japan, and Russia." He added: "I firmly believe the current level of a 47,000-man strong U.S. Forces Japan [USFJ] should be maintained." No small number of U.S. security issue specialists think the presence of the USFJ is preventing an arms race from happening in Asia and stopping Japan from turning into a military power. But now, let us suppose voices of protest by a majority of the Japanese people, like the Okinawans, were to lead to a reduction in U.S. military strength in Japan. Would that really create a hole in Japan's defense system? Would that bring about an expansion of Japan's Self-Defense Forces [SDF]? To answer that, we will have to review the roles of existing U.S. military organizations in Japan.

A staff officer in the nucleus of the Defense Agency declared: "Even if the 3d U.S. Marine Division in Okinawa withdrew, there would be no need for the SDF to fill in a hole created by it. They have different missions." He went on: "There are many people, particularly within the Ministry of Foreign Affairs, who think a reduction in the USFJ's strength will cause the Japan-U.S. alliance relationship of trust to deteriorate. But remember, the USFJ had a strength of 65,000 at the time of the reversion of Okinawa to Japan (in 1972), but it now has about 45,000 men, or about 30 percent less. Has it resulted in 30-percent deterioration in the trust of the alliance? If there has been change in relations of trust between the two countries, that has been due to changes in strategic situations, like the collapse of the Soviet Union."

In a speech in Tokyo on 6 September 1991, Stephen Solarz, then chairman of the Subcommittee on Asian and Pacific Affairs of the U.S. Congress' Foreign Affairs Committee, admitted the primary mission of the USFJ is not to defend Japan, by saying: "The United States must appreciate the fact that Japan has come forward to accept the stationing of the U.S. forces in

Japan though they are there to block invasions in areas other than Japan. The United States must also appreciate the fact Japan is shouldering higher amounts of troop-stationing expenses than those borne by any other allied nation." If we take a look at what the USFJ units are doing in Japan, it will become evident that what he said is accurate.

The U.S. Army has 1,900 men in Japan. Its combat troops are only about 400 men assigned to the Special Forces unit at "Torii Station," and all the others are involved in information gathering and supply service operations. The U.S. Defense Department has an organization called the "National Security Agency" (NSA) which has about 20,000 people monitoring radio transmissions and deciphering coded messages and which also has under its umbrella of control the communication information units of the three services of the U.S. Armed Forces — with some 40,000 people working in these units — plus about 3,000 receiving stations throughout the world.

**Emphasis Put on Collection of Economic Information**

NSA is normally translated as "kokka anzen hoshochu," but the word "security" means security of information. In Japan, it has stations at Misawa in Aomori Prefecture, and Sobe, and Torii in Okinawa Prefecture, and has more than 2,000 U.S. military personnel working at them. The U.S. Army is estimated to have about 500 information specialists working in Japan, including those assigned to these stations.

The monitoring of radio transmissions from the communist-bloc nations is NSA's primary mission. But concerning the demand for and dissemination of information, it reports to the Central Intelligence Agency (CIA), which has started to emphasize gathering information on the United States' economic competitors like Japan and Europe since the end of the Cold War. Apparently, NSA units are now engaged in the monitoring of the international telephone calls of Japan as well.

THE NEW YORK TIMES has reported that NSA secretly monitored phone calls by Ryutaro Hashimoto, then minister of international trade and industry, last June when he was in Geneva to hold talks with U.S. Trade Representative Mickey Kantor on the automobile issue and that the CIA delivered records of the phone calls to the U.S. delegation to the talks.

Obviously, the military units doing that sort of work in Japan receive the benefit of the Japanese Government-provided "consideration budget," which provides subsidies of some 10 million yen for each of the U.S. military



personnel in Japan every year. I must say the Japanese Government is too good-natured. The Sagami Supply Depot (in Kanagawa Prefecture) now has a unit that uses Japanese people in collecting and translating up-to-date technological data and materials on Japan. These Japanese people, numbering 14 in all, are "USFJ Japanese employees" whose pay comes from the Japanese Government's "consideration budget" too.

The U.S. Army used to have a skeleton "9th Corps Headquarters" at Zama (Kanagawa Prefecture) which was supposed to command Army troops sent to Japan in case of an emergency, but that headquarters was deactivated last September.

The only U.S. ground troops left in Japan are those in the 3d Marine Division on Okinawa, ready for deployment to the West Pacific and the Indian Ocean by amphibious vessels. This division uses Okinawa as its training ground and as a place for it to stand by. About 36 FA-18 fighters and 20 AV-8 attack planes of Marine Aircraft Group-12 are on stand-by status to support operations of the marines on the Korean Peninsula.

#### **U.S. Air Force Has No Air Defense Mission**

The U.S. Air Force has in its 18th Air Wing at Kadena (on Okinawa) about 54 F-15 fighters and in its 35th Combat Air Wing at Misawa about 40 F-16 fighters. The F-15s at Kadena are assigned to Osan, Korea, on a rotation basis, for missions in defense of South Korea. The F-16s came to Misawa in 1985, initially as part of a contingency operations plan that would require these fighters to destroy Soviet air bases on Etorofu Island and Sakhalin and to enable the U.S. Navy's antisubmarine patrol planes and vessels to charge into the Sea of Okhotsk and destroy missile-carrying nuclear submarines to neutralize Soviet capabilities to launch nuclear attacks on the U.S. continent. Following the collapse of the Soviet Union, their target has been shifted to the DPRK (North Korea).

The U.S. Air Force has no mission for the air defense of Japan. After radar sites and air command posts were transferred to Japan's Air SDF in 1959, the missions for the air defense of Japan have been carried out by the 370 fighters and anti-air missiles of the Air SDF. The U.S. Air Force fighters do not even have receivers to communicate with Japan's "Base Air Defense Ground Environment (BADGE) system."

The U.S. Navy has nine of its Seventh Fleet ships in Japan, using Yokosuka as their base port, and the ships include the amphibious operation command ship *Blue Ridge*, which is the flagship, the aircraft carrier *Independence*, plus cruisers, destroyers and frigates to escort these two ships. The Navy also has four

amphibious ships, like the amphibious assault ship *Belleau Wood*, two mine sweepers, and two rescue ships based at Sasebo. The Seventh Fleet is here not to defend Japan, but to defend the West Pacific and the Indian Ocean. The four amphibious ships are intended to haul troops of the 31st Marine Expeditionary Unit (about 2,000 men with an infantry battalion in it) to Middle East areas or the Korean peninsula.

#### **U.S. Navy Contributes Indirectly to Japan's Defense**

As seen from this, the USFJ units are here, first, to defend South Korea and, second, to be deployed to Middle East areas — rather than to defend Japan. Their missions are much different from those of the U.S. Forces Korea at present or in West Germany in the past. In these countries, the U.S. troops are currently or have in the past been actively deployed on key parts of the front lines.

The U.S. Navy probably did make contributions, though indirect, to the defense of Japan during the Cold War days. Four or five aircraft carriers plus the three to four hundred planes on them could converge on any point in the West Pacific in two to three weeks. This condition made it dangerous even for the Soviet Union with its military power to attack Japan by sea.

Still, the U.S. Navy had a enough vessels to defend its aircraft carriers and amphibious boats only, and did not have any left to defend directly the merchant vessels of Japan. Yet, no doubt, Japan did benefit from the "Pax Americana" (U.S.-led peace) which was made possible by the U.S. command of the seven seas. But then, it was not only Japan which benefited from the peace on the seas. Almost all the nations of the world benefitted from it.

This situation is analogous to that of the 19th century when the United States did not have to put its efforts into arms expansion and thus could concentrate on domestic industrial development, international trade, and deep-sea whaling operations thanks to the "Pax Britannica" made possible by the British Navy. In those days, the United States did not have to provide bases for the British Navy. Nor did it have to share any military expenses with the British Navy.

Of course, while the primary mission of the USFJ was not to defend Japan, but to defend the strongly anti-Japanese neighbor, the ROK, the presence of the USFJ still had meaning as assurance that the USFJ would help Japan if Japan came under attack from Soviet troops. But the Russian troops are now in such a state as to have a difficult time fighting even Chechenya, a small republic with a population of 1.2 million. Russia has no power to send large forces into Japan across the sea.



The only threats remaining from Russia are those from nuclear arms.

Many of those who object to a reduction of the U.S. forces on Okinawa confuse that with the scrapping of the Japan-U.S. alliance, and say "Japan will race to have nuclear arms of its own if it loses a nuclear umbrella to defend it." I must note that what Okinawa Governor Masahide Ota and many other Japanese want is not the termination of the alliance's relationship. Such a confusion is like a patient who, ordered by a doctor to go on a diet, protested, "I will starve to death if I don't eat."

#### **Japan-U.S. Alliance Will Remain Intact**

Naturally, the United States does not want Japan to turn into a military or nuclear power. But inasmuch as Japan has no intention at all of becoming such a power, it is hard to think that the Japan-U.S. alliance will break down even if the Marine Corps units which make up about 60 percent of the troops on Okinawa are deactivated or moved to Hawaii or Korea. The United States wants to maintain its command of the sea in the West Pacific. Even if it has to return the ports of Yokosuka and Sasebo to Japan's Maritime SDF, it will seek to secure the right to use them by maintaining the alliance.

Japan is the country that benefited most from the current world order. It probably is the only country which wants the status quo to continue. There is no reason for it to change the status quo by using force. The basic structure of the world has changed much since the pre-World War II days when most nations of Southeast Asia were colonies of countries like the United Kingdom, the United States, France, and the Netherlands, and they could not trade freely with Japan.

Except for very extraordinary oddballs, there is no one in Japan who thinks the country should start invading other countries. Even the hawkish dietmen would not dream of it. The United States may be trying to expand its arms sales to East Asia, but Japan is such a peaceful and clean country as to restrain itself from doing such a thing, believing it is morally incorrect to prompt an arms race by other countries by exporting arms to them. The Japanese people do not want their nation to become a military power. The reduction of the U.S. military forces in Japan will not change that. If U.S. defense officials, who do not want the troop reduction to happen, were saying that kind of thing in their publicity campaigns, I could understand it. But if the Japanese themselves were parroting what they are saying, I could not understand it.

#### **Japan: Article Suggests Relocation of U.S. Marines to ROK**

OW2502144896 Tokyo ASAHI SHIMBUN  
in Japanese 22 Feb 96 Morning Edition p 4

[Article by Naotoshi Sakonjo, Peace and Security Institute researcher, former vice admiral and Joint Staff Council director general: "Let Us Seek a Way for the Relocation of U.S. Marines to South Korea"]

[FBIS Translated Text] Since the rape of a schoolgirl by three U.S. servicemen on Okinawa last September, discussions have continued over the U.S. bases, the U.S. Forces Japan [USFJ], the Japan-U.S. Status of Forces Agreement [SOFA], and a review of the Japan-U.S. Security Treaty. The USFJ's mission is to defend Japan and protect peace and security in the Far East region. Thus, it is allowed to use Japan's facilities and land (for bases). However, as direct military threats to Japan evaporated after the collapse of the Soviet Union, the purpose of the USFJ's presence has changed, and it is now here to respond to an emergency in the Far East.

In 1991, Colin Powell, then chairman of U.S. Joint Chiefs of Staff, said, "Although it is a vast region, major threats do not exist in the Pacific, except for the Korean peninsula." The United States cut its forces in this region by 10 percent from 1990 to 1992. The reduction plan for 1993 and thereafter was canceled due to a nuclear suspicion involving North Korea (DPRK). Last November, Joseph Nye, then U.S. assistant secretary of defense, commented, "The 47,000 members of the USFJ out of 100,000 in Northeast Asia are aimed at responding to military threats from North Korea and unpredictable instability in the future." Furthermore, U.S. Ambassador to Japan Walter Mondale noted, "The scale of the USFJ is based on the North Korean threat." What this means is that "the Far East emergency" is synonymous with "a Korean peninsula emergency."

A potential North Korean threat is the currently-developed ballistic missile that has a long enough range to strike Japan. The only way to counter this missile is not the USFJ, but the Theater Missile Defense system [TMD], which the United States proposed to develop jointly with Japan. It is possible to say that the USFJ is mainly taking the role of defending South Korea, at least for a short and mid-range period. In the 1993 "Bottom-Up Review" — a document specifying the U.S. strategy and defense scale — the United States cites, in addition to its forces in South Korea, the USFJ (the Marines and the Air Force) and an aircraft carrier fighter group stationed at Yokosuka port as strength to be mobilized in case of a Korean peninsula crisis.



The U.S. Marine Corps, which comprises 60 percent of all U.S. servicemen on Okinawa, has been stationed on this island to keep an eye on the Korean peninsula since the Cold War. Its mission is to assault the shores of an enemy country and gain ascendancy over major posts before handing over its duties to the Army.

Based on what I have said, I request that Prime Minister Ryutaro Hashimoto, who will visit the United States on 23 February, propose to U.S. President Bill Clinton that the Marines on Okinawa be relocated to the southern part of South Korea. Because the United States is fully aware of the fact that the main role of the Marines is to defend South Korea, it will probably inquire about South Korea's intentions if Japan asks for it.

If South Korea accepts the proposal, Japan may have to share some of the relocation expenses. If South Korea says the U.S. Marines are not that necessary for its national defense, it will give Japan a specific rationale to demand a drastic reduction of the USFJ. If the United States turns down Japan's call, and South Korea does not accept the relocation although acknowledging the need for the Marines, our government must demand full, satisfactory explanations from both countries.

The North is likely to oppose the relocation. But, it is a matter which should be discussed between Japan and the United States, and then between the United States and South Korea. What the government must consider first is reducing — even just a little — the burden on Okinawa, the island prefecture hosting more than half of the USFJ and 75 percent of all U.S. military facilities in Japan.

The United States has said repeatedly that Japan is an "equal partner." However, as far as security issues are concerned, Japan has always complied with the U.S. initiative. On the other hand, South Korea once pressed the United States to alter the above-mentioned "Bottom-Up Review." In the spring of 1993, as soon as it received a report that the review may include the U.S. strategy of refraining from a full-scale battle on the Korean Peninsula while engaging in a war with Iraq, South Korea sent a VIP to Washington and Hawaii. Consequently it was changed as follows: The United States wages wars simultaneously as well as successfully against Iraq and North Korea.

Apprehensions grew in Japan (and South Korea) in the late 1970's when the Carter administration launched a so-called "swing strategy" of deploying its Pacific feet to the Atlantic Ocean to respond warfare in Europe. However, the government had never asked for the United States' reconsideration. (Later, the Reagan administration abandoned this strategy.) Japan must speak directly to the United States about what it wants or believes

more than it used to. Eventually, it will enhance the bilateral security framework and realize the "independent diplomacy" which Prime Minister Ryutaro Hashimoto stressed in his January policy speech.

#### **Japan: Foreign Ministry Preparing for Ikeda's Russia Visit**

*OW2602034696 Tokyo ASAHI SHIMBUN  
in Japanese 23 Feb 96 Morning Edition p 7*

[FBIS Translated Text] Arrangements are under way for Foreign Minister Yukihiko Ikeda to visit Moscow from 20-24 March. During his visit, Ikeda will hold his first talks with Russian Foreign Minister Yevgeniy Maksimovich Primakov, and attend the first governmental meeting of the bilateral committee on trade and economy with First Deputy Prime Minister Oleg Nikolayevich Soskovets and other officials.

In advocating a diplomacy that attaches great importance to the national interest, Foreign Minister Primakov touched on the northern territorial issue right after his inauguration. He stated: "it will be left to the next generation." In addition to confirming the doctrine of the 1993 "Tokyo Declaration," in which it is agreed that "the territorial issue should be solved so a peace treaty can be concluded at an early date," it is felt that Foreign Minister Ikeda will inform his counterpart of the government's position in support of Russia's democratization. Moreover, Ikeda is likely to promote talks on the operation of Japanese fishing boats close to northern territory waters, and to seek cooperation for an early resolution on the Comprehensive Test Ban Treaty (CTBT).

#### **Japan: Talks With Australia on Regional Security End**

*BK2502143396 Melbourne Radio Australia  
in English 1100 GMT 25 Feb 96*

[FBIS Transcribed Text] Australia and Japan have ended their first bilateral talks on regional security. The discussions in Tokyo involved foreign affairs and defense officials from the two countries. John Shovelan reports from Tokyo that the talks focused on areas of tension, such as the Korean Peninsula and China and Taiwan.

[Begin recording] [Shovelan] Australian official said the meeting added a new string to the relationship between Australia and Japan. While Australia still doesn't engage in bilateral military exercises with Japan, the official said both sides are willing to explore the scope of increasing security ties. The deputy secretary of the Department of Foreign Affairs and Trade, Kim Jones, said the security discussions were needed in North Asia.



[Jones] Until quite recently, countries of the region tended to look over defense of their neighbors; they didn't actually talk about security issues to give up. [sentence as heard]

[Shovelan] Japanese officials were invited to attend similar talks in Australia next year. [end recording]

**Japan: Hashimoto, Mahathir Agree on Need for ASEM Success**

OW2602142096 Tokyo KYODO in English  
1404 GMT 26 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 26 KYODO — Prime Minister Ryutaro Hashimoto and his Malaysian counterpart Mahathir bin Mohamed agreed Monday [26 February] on the need to bring a successful conclusion to the inaugural meeting of Asian and European leaders in Bangkok later this week.

The two leaders shared views on the Asia-Europe Meeting (ASEM) in a meeting over dinner at the Akasaka State Guesthouse, a high-ranking Foreign Ministry official told reporters.

Mahathir, who arrived in Japan on Sunday for a three-day unofficial visit, said the inaugural summit meeting should be regarded as a key opportunity for the seven-member Association of Southeast Asian Nations (ASEAN) to have summit talks with European nations, the official said.

The summit will bring leaders from China, Japan, South Korea and the ASEAN member states together with their counterparts from most of the 15 European Union (EU) member countries and the president of the European Commission, the EU's executive branch.

Hashimoto and Mahathir agreed on the need for each participant to refrain from raising controversial issues so as not to scuttle the first-ever ASEM meeting, the official said.

While Mahathir said he is satisfied with current relations between Malaysia and Japan, Hashimoto reiterated that Japan is determined to act with a "future-oriented" attitude based on the deep regret about its past.

The Malaysian prime minister lauded Japan's "sincerity" toward its effort to resolve its past, adding his Malaysian "look east" economic development policy was modeled after the changes Japan underwent since the end of World War II.

**Tokyo Not To Propose Hashimoto-Kim Meeting During ASEM**

OW2502105796 Tokyo YOMIURI SHIMBUN  
in Japanese 23 Feb 96 Morning Edition p 1

[FBIS Translated Text] On 22 February, the government decided that it would not propose that a summit meeting be held between Prime Minister Ryutaro Hashimoto and South Korean President Kim Yong-sam when the prime minister attends an Asia-Europe Meeting (ASEM) to be held in Bangkok beginning 1 March. This was disclosed by government and ruling coalition sources. According to these sources, the government determined that in the current situation, in which the ROK has intensified its criticism of Japan in connection with a territorial dispute over the Takeshima Islets, "a summit meeting between them would be disadvantageous to the two countries."

In recent years, it has become customary for leaders of Japan and South Korea to hold meetings when they attend international conferences. However, South Korea has not yet expressed its hope to hold a Hashimoto-Kim meeting during the ASEM gathering. It would be unprecedented if the two leaders were not to meet at such an international conference.

The government has planned summit meetings between Hashimoto and his Chinese counterpart, Li Peng, and between Hashimoto and French President Jacques Chirac during the ASEM gathering. However, it has been cautious about proposing a Hashimoto-Kim summit meeting.

**Japan: Foreign Ministry Official Views ASEM Meeting**

OW2602145196 (Internet) Japan Ministry of Foreign Affairs WWW in English 21 Feb 96

["The Asia-Europe Meeting: Its Background and Tasks" by Makoto Mizutani, director of the Regional Policy Division, Asian Affairs Bureau, Japanese Ministry of Foreign Affairs, dated 21 February 1996; from the "What's New!" link; three charts accompany this report: "GNP Comparison of the Three Major Economic Spheres"; "The Flow of Investment Amongst the EU, East Asia and the U.S."; and "The Total (Monetary) Value of Trade Amongst East Asia, the U.S. and the EU" which can be accessed at the following address: [www.nttl.co.jp/infomofa/ASEM/chart1-3.html](http://www.nttl.co.jp/infomofa/ASEM/chart1-3.html)]

[FBIS Transcribed Text] The first Asia-Europe Meeting (ASEM) is being held on 1st and 2nd of March this year in Bangkok, Thailand. The aim of this Meeting is to exchange views freely among the summit leaders of 10 Asian countries (seven member states of ASEAN, Japan, China and Korea) and fifteen EU member states.



plus the president of the European Commission. The range of topics may be very wide, covering political, economic and cultural matters, in the hope of promoting shared understanding, strengthening exchanges in every field and advancing some proposals for joint efforts in these directions. This is indeed an unprecedented event. The initial idea for such a large-scale meeting was floated first in a private seminar, and then adopted in the autumn of 1994 as an official proposal by Singapore, which was acting as a coordinator of ASEAN Vis-a-vis the EU. On the EU side, it was France which first became most active on behalf of the proposal and began to talk about it to other EU colleagues. Japan was also consulted by ASEAN from an early stage and it, too, has been cooperative in moves to carry the proposal forward. It is just one year and a half since the proposal was made: rather a short time to complete consultations for such a substantial meeting. The time was ripe, however; and the time is opportune for a review of its context and background in both Asia and Europe.

#### Asian Context

ASEAN has been a success-story, particularly in the last decade: politically, due to settlement of the Cambodian question and the restoration of US-Vietnam relations, stability has become a fait-accompli. This in turn has given an impetus to an economic boom on the scale of six to eight per cent annual growth. As an institution ASEAN developed through enlargement (inclusion of Vietnam in the summer of 1995) and through deepening (advancement of the scheme of the ASEAN Free Trade Agreement). A general growth trend has been reflected in a series of diplomatic initiatives by ASEAN. Asia-Pacific Economic Cooperation (APEC), for example, is hosted by an ASEAN country every other year. Another forum on political and security matters - ASEAN Regional Forum (ARF) - was started in the summer of 1994, having as its co-members Japan, the US, China, Russia, Canada, Australia, New Zealand and the EU. On the other hand there have been some miscalculations, as witness the South-East Asia Nuclear Weapon Free Zone Treaty, which was signed by ASEAN countries on the occasion of the ASEAN Summit Meeting in December 1995. The Treaty was prepared so as to be applicable to very wide areas including exclusive economic zones (EEZ) and continental shelves; so it has not been supported by the nuclear powers and they are refraining from signing the Treaty's Protocol, in which P5 countries are expected to commit themselves to its support. Despite such occasional mishaps, ASEAN's thrust in gaining staunch supporters in all spheres of activity and thereby to reinforce their position in the

international arena, is quite evident. This is indeed the diplomatic strategy of today's ASEAN.

With China, the EU enjoys relations based upon the Agreement of Trade and Economic Cooperation of 1985; but it seems that the relationship has not fully recovered from the cool-off phase starting just after the Tienanmen Square Incident in 1989. The question of human rights is seen to hang heavily over a forum such as the EU-China Joint Committee. The ASEM proposal must surely have been welcomed by both China and the EU as a new approach to their relations, if not as an immediate breakthrough. Korea, meanwhile, only last year started negotiations to conclude a trade cooperation agreement with the EU.

Japan basks in the Japan-EC Joint Declaration announced in July 1991, which both sides committed themselves to cooperative policies in wide areas of politics, economics culture and environment; they also initiated an annual meeting of summit level between Japan and the EU Troika. ASEM is an enlarged summit meeting, and should add new dimensions to the already existing body of Japan and the EU Troika leaders. At this point, it is relevant to mention the selection of member countries from the Asian side. As the term "Asia" is interpreted in several ways, it carries no precise implication about the scope of its Asian Membership. As far as the present members are concerned, ASEAN has a strong voice; but from the 2nd ASEM it is most likely that Australia and New Zealand will be added, and the case of both India and Pakistan will be seriously considered. By the same token, Europe may also study the possibility of inviting some newcomers, such as Hungary and Poland, to the 2nd ASEM.

#### European Context

The EU context has been partially mentioned above as far as China, Korea and Japan are concerned. There is another dimension to ASEM's relationship with ASEAN. The Agreement of EC-ASEAN Cooperation was enacted in 1980, and a trade and development cooperation was set into motion. A year before, in 1979, the EU became a member of the ASEAN Post Ministerial Conference, held annually in the summer, and the EU was one of the original member of the aforementioned ARF when it started in 1994. Thus the EU has achieved some success in establishing a framework of dialogue with ASEAN. Faced now with the task of amending and updating the Agreement mentioned above, however, the EU finds it difficult to move forward, due largely to a human rights question in East Timor in Indonesia.

Paying regard to the relations between the EU and Asia at large, and also faced by the enormous economic



growth trend in Asia, The European Council in November 1994 adopted a policy paper entitled "Towards a New Asian Strategy". This paper first of all attaches great importance to political dialogue on issues such as disarmament, non-proliferation, human rights and drugs; it also lists several concrete measures in the areas of trade, investment and development cooperation. The paper draws attention using statistical material to several possible concrete measures in the areas of trade, investment and development cooperation. The paper draws attention using statistical material to several important economic factors. The volume of trade of the EU with Asia exceeds that with the US, and the volume of economic assistance from the EU to Asia between 1976-91 is less than that of Japan but exceeds that of the US. In contrast to the volume of trade, the amount of investment of the EU in Asia is nearly a quarter of its amount in the US. This may be a future target area for adjustment.

In light of all this, it is not surprising that the EU was keen to explore the idea of ASEM and that among its member countries consensus was speedily reached.

#### Tasks of ASEM

It has been said that ASEM would be just another political facade and soon lose its driving force, since it is not particularly focused. But the future of ASEM is difficult to foresee. It is too early. All depends, as with any other human endeavour, largely on the zeal and wisdom of all those concerned with its management.

What must be emphasized, in this post-Cold War era, is that the relative importance of Asia and Europe in managing and deciding the course of international affairs is ever increasing. I believe that the future of ASEM will strongly reflect the extent to which this organization can squarely meet the challenge of this major task.

ASEM is meant to be an occasion for dialogue, and an informal gathering with no detailed or rigid agenda. It does not seek to announce a formal declaration, but hopes to come to some agreement on a consensus basis. Within this framework, Japan is seeking hopefully to establish common perceptions on serious political and economic questions. Japan realises that no single country can solve the problem caused by various destabilizing factors in the post-Cold War era. So 'globalism' centered around the UN, and regionalism based upon regional arrangements, are both necessary. A sensible mix of the two must sometimes be worked out.

On the economic scene, multilateralism centering around the WTO, the World Bank and IMF should be

strengthened and regional cooperation should be used to complement and reinforce multilateral cooperation. Based in this context upon many shared perceptions, various exchanges of views on specific items could be usefully encouraged; these could include explaining the present state of APEC, about which the EU is quite curious, and explaining the world-wide implications of European unification, about which some Asian states still harbour certain concerns. Various follow-up projects could also be agreed, at least in principle, so as to sustain the practical thrust of ASEM and maintain the political momentum of the Meeting this March. Japan, on its part, is hoping at this important meeting to finalize proposals for projects in several areas for political, economic and cultural cooperation between the two regions.

[Image] Chart I GNP Comparison of the Three Major Economic Spheres

[Image] Chart II The Flow of Investment amongst The EU, East Asia and The U.S.

[Image] Chart III The Total (Monetary) Value of Trade amongst East Asia, The U.S. and The EU

#### Japan: Murayama Vows To Work for Better Ties With DPRK

OW2602105896 Tokyo KYODO in English  
1041 GMT 26 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 26 KYODO — Former Prime Minister Tomiichi Murayama on Monday [26 February] called for an end to the "abnormal relations" between Japan and North Korea and vowed to work for better ties between the two nations.

Murayama told a group of pro-Pyongyang industrialists living in Japan, "It is necessary to quickly resolve the abnormal relations between Japan and the Democratic People's Republic of Korea and build friendly relations."

Murayama, who heads the Social Democratic Party (SDP), also told the Federation of Korean Traders and Industrialists that "even though we have changed the name of our party, there will be no change in our relationship with the Workers Party of (North) Korea."

The SDP was instrumental in setting up normalization talks between Japan and North Korea because of its long relationship with the WPK.

Japan and North Korea held eight rounds of negotiations between January 1991 and November 1992 aimed at establishing full diplomatic relations.

The talks were suspended, however, over Pyongyang's demand for wartime and postwar compensation from



Tokyo, and Japan's demand for information concerning a Japanese woman believed to have been kidnapped and taken to North Korea to train a confessed North Korean terrorist.

#### **Japan: Report Says DPRK Soldiers Get Rice Before Flood Victims**

*OW2502124296 Tokyo SANKEI SHIMBUN in Japanese 22 Feb 96 Evening Edition p 1*

[FBIS Translated Text] As of 22 February, a report received by the Japanese Red Cross Society [JRCS] revealed that large quantities of rice supplies that Japan shipped last year to the DPRK (North Korea), which has been troubled by a critical food shortage, have been distributed to areas along the cease-fire line established between the DPRK and the ROK instead of to areas reportedly suffering from serious flood damage.

According to the disclosure by the JRCS, among the provinces and special cities that received portions of the 150,000 tons of rice supplied in the second shipment of Japanese food aid to the DPRK last October, Kangwon-do received the largest portion with 34,100 tons, followed by Chagan-do with 28,500 tons, Hamgyong-namdo with 23,000 tons, Pyongan-bukto with 20,500 tons, Pyongyang with 11,000 tons, and Pyongan-namdo with 10,000 tons.

However, according to a source concerned with Japanese-DPRK relations, "rice supplies have not been distributed according to population, nor have they been allocated heavily to areas suffering from serious flood damage." As a matter of fact, according to an investigation (in 1990) by the ROK National Unification Board, the population of Kangwon-do, which has received the largest allocation of rice supplies, was approximately 1.55 million, placing it only in eighth place among the nine provinces and three special cities which make up the administrative divisions of the DPRK.

However, about 1 million DPRK and ROK soldiers face each other along the cease-fire line in Kwangwon-do that separates the North and South. It may be said that Japanese rice supplies undoubtedly have been distributed to these North Korean soldiers instead of to local residents.

Moreover, North Korean authorities have reported that the floods that hit the country last year caused major damage in Pyongan-bukto, Pyongan-namdo, Hwanghae-bukto, and Hwanghae-namdo. Looking at the report, however, it cannot be said that rice supplies have been distributed heavily to these areas.

Meanwhile, another source concerned with Japan-DPRK relations has claimed that the DPRK has sold

to the PRC, Libya, and other countries part of the emergency rice supplies it received from Japan. As a result, all this seems to prove not only that North Korean authorities have given the military preferential treatment over civilians, but also that it remains uncertain to what purposes the rice supplies were directed.

Last year, the Japanese Government provided a total of 500,000 tons of rice supplies in two shipments in June and October, respectively, to the DPRK, which appealed to Japan based on its plight. Of the total rice supplies, Japan gave the DPRK 150,000 tons of rice for free and agreed to receive payment for the remainder in a 30-year installment plan after a 10-year grace period, practically making it an almost free give-away to the DPRK.

Furthermore, aside from these emergency rice supplies, Japan sent the DPRK \$500,000 (approximately 50 million yen) through UN funds as financial aid for the latter's flood damage. The DPRK, however, has requested a third shipment of Japanese emergency rice supplies via a Sakigake [Harbinger] dietman who visited the DPRK this year. In reaction, the Foreign Ministry, among other relevant government ministries and agencies, has said: "We have no more rice supplies in stock, so it is impossible for us to provide further aid."

#### **Tokyo-Seoul Tension Running High Over Takeshima**

*OW2602054796 Tokyo KYODO in English 0433 GMT 26 Feb 96*

[By Takehiko Kajita]

[FBIS Transcribed Text] Tokyo, Feb. 26 KYODO — As memories of Japan's colonial dominion over the Korean peninsula from 1910 to 1945 still simmer, relations between Japan and South Korea have been frail at best since the end of World War II.

And now, once again, their ties have grown tense since the recent resurfacing of an old animosity over a group of small islets, known as Takeshima in Japan and Tokto in Korea, in a conflict that has apparently widened the gulf between them.

Sovereignty over the rocky outcropping in the Sea of Japan — or the East Sea, as it is called in South Korea — has long been a point of contention between Tokyo and Seoul.

Their face-off over the islets traces back to Japan's incorporation of the outpost into its Shimane Prefecture in 1905, prior to its colonization of the Korean peninsula.



But South Korea says the action was illegal since it happened when the Japanese empire had already begun asserting its rising power over other parts of Asia.

Arguing that the isles had belonged to the Koreans since the sixth century, South Korea has kept a small coast guard on one of the islets since 1954. And Tokyo has repeatedly lodged protests over what it calls Seoul's unlawful occupancy of its territory.

The long-standing quarrel was reignited recently as both countries are poised to declare a 200-nautical mile exclusive economic zone off their coasts that would encompass the islands.

Apparently trying to thwart Tokyo's move to corral the outcropping within its 200-mile zone, Seoul has started to build a harbor facility on one of the islets.

This prompted Japanese Foreign Minister Yukihiko Ikeda to reiterate earlier this month that the islands "are historically and in view of international law, an integral part of Japan," a remark that sparked a more explosive reaction from South Korea.

Parallel with mushrooming anti-Japanese demonstrations throughout his country, South Korean president Kim Yong-sam refused to meet a delegation of Japanese ruling coalition lawmakers, forcing them to give up their trip.

A possible summit between Japanese Prime Minister Ryutaro Hashimoto and Kim in the wings of the inaugural Asia-Europe Meeting (ASEM) in Bangkok later this week could also fall victim to the territorial row and the escalation of tensions.

For Hashimoto, who assumed office in mid-January, ASEM will mark his debut on the Asian diplomatic scene. Besides attending the multilateral talks, he gives priority to having bilateral meetings with other Asian leaders, especially those from China and South Korea.

"There are two Asian nations we always hope to communicate with as frequently as possible. They are China and South Korea," said a high-ranking Foreign Ministry official, who spoke on condition of anonymity.

"If a summit with South Korea is not held, it would be a severe loss to our diplomatic activities," echoed another senior ministry official.

Hashimoto is expected to confer with Chinese Premier Li Peng on the sidelines of ASEM, despite a potential turf fight between the two countries over their disputed territory, the Senkaku Islands in Japanese or Diaoyu in Chinese, in the East China Sea.

Tokyo takes the position that no territorial problem to discuss with Beijing exists, saying the currently

uninhabited chain has never been and is not under Chinese control.

But the establishment of 200-mile exclusive economic zones by the two sides possibly later this year under the U.N. Convention on the Law of the Sea, which went into force in November 1994 to serve as a sort of "constitution" on the world's seas, will eventually thrust the question of territorial ownership of the islands into the limelight.

Tokyo has registered its desire to resolve squabbles arising from ratification of the sea-zone pact over fishing rights with South Korea and China separately from the vexing issue of sovereignty.

As South Korean Foreign Minister Kong No-myong is reported to have cautioned against any further deterioration of the bilateral relations over the isle dispute, a summit between Hashimoto and Kim now might be conducive to averting a crisis for the two nations.

A Japanese Foreign Ministry official said, however, it will not be made clear until just before the opening of ASEM, set for Friday and Saturday, whether Hashimoto and Kim can hold a meeting in Bangkok.

"We haven't decided not to offer a bilateral summit, nor have they (Koreans) decided to turn down our possible proposal for such a meeting," the official said. "You can say each of us is very reserved on the matter right now."

#### **Japan: Ikeda Wants Fishery Pacts With PRC, ROK 'Within a Year'**

*OW2702063296 Tokyo KYODO in English  
0451 GMT 27 Feb 96*

[FBIS Transcribed Text] Tokyo, Feb. 27 KYODO — Foreign Minister Yukihiko Ikeda indicated Tuesday [27 February] that Japan hopes to sign new fisheries pacts with China and South Korea within a year as part of its establishment of a 200 nautical mile economic zone off its coast.

"I have in my mind the same idea the ruling coalition has," Ikeda told the House of Representatives budget committee as the lower house committee intensively debated foreign affairs and national security.

The tripartite coalition, involving Prime Minister Ryutaro Hashimoto's Liberal Democratic Party, the Social Democratic Party and New Party Sakigake [Harbinger], has agreed to seek new fisheries agreements with China and South Korea within a year.

The Japanese and South Korean governments announced plans last week to declare a 200 mile economic zone around each country's coasts under the



United Nations Convention on the Law of the Sea, which obliges signatories to respect a 200-mile exclusive economic zone off a nation's coasts, including those of islands.

The announcement came amid a territorial row over two islets in the Sea of Japan, known as Takeshima in Japan and Tokto in South Korea. South Korea has stationed sentries on the islets since 1954 despite protests from Japan.

Speaking at the lower house budget committee, Ikeda reiterated his intention to negotiate a fisheries pact with South Korea separately from the territorial dispute but noted that "the fait accompli" regarding South Korea's guards on the island does not mean South Korea has sovereignty over the islets.

Hashimoto, talking to the same committee, stressed that he has no plans to exclude Takeshima from Japan's 200 mile zone. "I have no plans to exclude a certain water area in laying out the (200-mile) zone," he said.

Japan also faces a dispute with China over ownership of the Senkaku Islands in the East China Sea, called the Diaoyu islands in China. Taiwan also claims sovereignty over the islands.

A Japanese Government source said Tuesday Tokyo has proposed starting negotiations with China and South Korea over new fisheries pacts at an early date.

In other remarks made at the lower house committee, Hashimoto expressed hopes that he will play a key role in the Asia-Europe summit meeting to be held in Bangkok on March 1 and 2.

"On the part of Japan, which has had dialogues with both Asia and the European union, it's my job to make it possible for a second and third meeting," Hashimoto said.

#### **Tokyo Announces Donation, Condolences to Peru**

*OW2602110396 Tokyo KYODO in English  
1019 GMT 26 Feb 96*

[FBIS Transcribed Text] Tokyo, Feb. 26 KYODO — Japan will donate 20,000 dollars to Peru for damage caused to coastal areas by last week's tidal wave, the Foreign Ministry said Monday [26 February].

In addition to the donation, Prime Minister Ryutaro Hashimoto sent a letter of sympathy to Peruvian President Alberto Fujimori, the ministry said.

Foreign Minister Yukihiko Ikeda also sent his sympathy in a message to his Peruvian counterpart Francisco Tudela, ministry officials said.

The tidal wave, which resulted from last Wednesday's earthquake off Peru's shores, claimed 17 lives and injured 22 others.

#### **Japan: Agency Studying To Revise Copyright Protection Law**

*OW2602140596 Tokyo KYODO in English  
1157 GMT 26 Feb 96*

[FBIS Transcribed Text] Tokyo, Feb. 26 KYODO — The Agency for Cultural Affairs has launched a study to revise the Copyright Protection Law to conform to standards set by the World Trade Organization (WTO), agency officials said Monday [26 February].

The officials said the law will be modified to protect copyrights on music over a 50-year period.

The existing law covers copyrights retroactive only to 1971, when it was enacted, they said.

The study began after Prime Minister Ryutaro Hashimoto indicated the government's readiness to revise the law at a news conference following his recent meeting with U.S. President Bill Clinton.

Washington has filed a complaint with the Geneva-based WTO accusing Japan of violating trade-related aspects of the intellectual property rights treaty which took effect on Jan. 1 this year.

The U.S. complaint argued that the treaty, worked out under an agreement that led to the establishment of the WTO, mandates protection for 50 years retroactively on all sound recordings with copyright terms not expired in the country of origin.

The officials said penalties imposed on violators will be raised three to five times the amount prescribed under the existing law.

The period of copyright protection for photographs will also be modified to 50 years after the death of a copyright holder from the present 50 years after a copyright is registered, the officials said.

#### **Japan: FTC Decides To Create International Division**

*OW2602120196 Tokyo KYODO in English  
0836 GMT 26 Feb 96*

[FBIS Transcribed Text] Tokyo, Feb. 26 KYODO — The Fair Trade Commission (FTC) will create a new international division within the trade watchdog body as early as April to cope with disputes on competitive policies, FTC sources said Monday [26 February].



The establishment of the new division is also aimed at strengthening the cooperative relationship with developing nations in terms of arrangement and management of antimonopoly laws, the sources said.

The decision came partly against the background of Eastman Kodak Co. of the United States blaming the FTC for taking insufficient measures to open the Japanese photographic film market, they said.

As soon as the Diet passes a bill revising the Antimonopoly Law to strengthen the FTC's structure, the international division will be established by reorganizing the present public relations section in the general affairs division, they said.

With the rapid globalization of corporate activities, it has become important for trading partners to work harmoniously with each other in the area of competition policies, they said.

The FTC has already had regular bilateral consultations on the issue with the U.S., Canada, the European Union and South Korea, and the new division is intended to promote such exchanges of opinions, the sources said.

The new division will also be in charge of exchanging information and improving transparency of competition policies embodied in action guidelines adopted at the Asia Pacific Economic Cooperation forum in Osaka last November, they said.

It will also offer technical support for such countries as Indonesia and Singapore in drafting systematic competition laws, as well as for Russia and East European nations in introducing Western-style competitive policies, they said.

#### **Japan: Murayama Did Not Expect 'Jusen' To Become 'Big Issue'**

OW2602110196 Tokyo KYODO in English  
0759 GMT 26 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 26 KYODO —  
- Former Prime Minister Tomiichi Murayama said Monday [26 February] he did not expect that the government scheme he decided as prime minister to use taxpayers' money to help liquidate seven failed housing loan companies would turn into the "big issue" it has become. [sentence as received]

Responding to questions at the Foreign Correspondents Club of Japan, Murayama said he did not resign over the plan, which calls for using at least 685 billion yen in taxpayers' money to liquidate the troubled mortgage companies, known as "jusen."

Murayama abruptly announced Jan. 5 that he would resign as premier and stepped down Jan. 11 after his

administration drew up the fiscal 1996 budget, which incorporated the scheme.

"I did not step down because I was tired or because of the jusen matter. When I resigned, I did not think the jusen issue would become so big. I thought people would understand it if we explained things and have them give their consent," he said.

The cabinet of Prime Minister Ryutaro Hashimoto is under fire from the public and the opposition camp in parliament over the plan requiring taxpayers' money.

Murayama, leader of the ruling coalition member Social Democratic Party (SDP), ruled out the idea of "freezing" or "postponing" the mortgage-firm liquidation plan, citing possible negative impact on Japan's economy and financial system.

Commenting on the SDP's ongoing drive to gather Japan's "liberal" political forces together to create a new party, Murayama said his party does not intend to absorb members from two major conservative parties — the Liberal Democratic Party (LDP), the dominant party in the ruling coalition, and the main opposition Shinshinto (New Frontier Party).

The SDP hopes to increase its number of Diet seats by attracting voters who do not support any particular political party, he said.

Murayama pledged to keep supporting the three-party Hashimoto administration, which is comprised of the LDP led by Hashimoto, the SDP and New Party Sakigake.

The tripartite coalition that began when Murayama took power in June 1994 and has been maintained in the current Hashimoto administration will continue for the time being because it has implemented a democratic decision-making system, he said.

#### **Japan: Hashimoto Denies Involvement in Unlawful Loan Scandal**

OW2602140096 Tokyo KYODO in English  
1226 GMT 26 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 26 KYODO —  
- Prime Minister Ryutaro Hashimoto said Monday [26 February] he knows nothing of the opposition camp's allegations that a portion of illegal funds from Fuji Bank loans in a 1991 scandal was diverted to him via a female restaurant owner.

Hashimoto, testifying before the House of Representatives Budget Committee, said he quit as finance minister five years ago, taking the blame for the involvement of one of his secretaries, in the 1991 Fuji Bank loan scandal.



The 58-year-old premier pledged to carry out his job, denying his role in the case.

Keiwa Okuda and Hiroshi Yamada, both from the largest opposition Shinshinto (New Frontier Party), questioned Hashimoto about the 1991 scandal and its aftermath.

They demanded that former secretary Toyoki Kobayashi and restaurant owner Mariko Obana be summoned before the Diet to testify in the case.

Kobayashi allegedly brokered the unlawful loan deal between Minoru Nakamura, then section chief in Fuji Bank's Akasaka branch, and Obana. The scandal erupted in 1991 and about 20 people were arrested.

"I cannot answer because I know nothing about" the case, Prime Minister Hashimoto said.

Okuda, without giving any evidence, said he found it "unusual" that there would be a transmission of 1 billion yen to Obana and wondered if 700 million yen of the total went to Hashimoto's coffers.

Masahiro Yamada, also from Shinshinto, asked Hashimoto about remarks by Kichinosuke Sakaki, president of Togensha, that Kobayashi had demanded a 40 million yen commission for help in arranging additional loans from the Industrial Bank of Japan.

Togensha is one of the major loan borrowers from the so-called troubled "jusen" mortgage companies.

"I've heard (from Kobayashi) that there was no such request," Hashimoto said, adding it is up to his former secretary to decide whether or not he will take the witness stand in the Diet.

Earlier in the day, Finance Minister Wataru Kubo stressed the need to press ahead with far-reaching reforms of the Finance Ministry to make it assume responsibility for leaving the seven housing loan companies insolvent.

Kubo said, however, the Hashimoto government will go ahead with the scheme to use 685 billion yen in taxpayers' money to help write off debts incurred by the housing loan firms.

Under the government scheme, the founder banks are requested to give up all of their claims worth 3.5 trillion yen. The sum is part of 6.41 trillion yen to be written off as initial losses involved in the liquidation of the seven ailing mortgage companies.

#### **Japan: Vice Minister Apologizes for Jusen Fiasco Remark**

*OW2302145196 Tokyo KYODO in English  
1438 GMT 23 Feb 96*

[FBIS Transcribed Text] Tokyo, Feb. 23 KYODO — In a very unusual move, Vice Finance Minister Tadashi Ogawa apologized Friday [23 February] night for a recent comment concerning the finance minister's bid to pursue the responsibility of banks that founded the nation's seven moribund mortgage companies [jusen].

Finance Minister Wataru Kubo has recently repeated that the top executives of banks that founded the mortgage companies must take some of the blame, suggesting they should resign from the posts to acknowledge their moral responsibility in the matter.

Commenting on these remarks at a news conference Thursday, Ogawa said, "Mr. Kubo, as a politician, spoke for the Japanese people about their feelings."

Some press reports said Ogawa's comment suggested that Kubo's remarks only expressed a personal view.

At a specially convened press conference Friday, Ogawa said Kubo's calls for clarifying the founder banks' responsibility were not a personal appeal, while acknowledging his comment Thursday was misleading.

"I am taking (Kubo's calls) as a very important political message made in the capacity of finance minister," Ogawa said.

Ogawa said there is no difference between himself and Kubo in pursuing responsibility of the founder banks for the housing loan debacle.

The seven moribund mortgage companies are to be liquidated under a government-brokered scheme with the help of a huge infusion of taxpayers' money.

In a speech at a meeting Friday, Koichi Kato, secretary general of the Liberal Democratic Party (LDP), criticized Ogawa for his Thursday comment.

"Mr. Ogawa does not fully understand the depth of the housing loan fiasco and the Japanese people's anger on the issue," Kato said. The LDP is the biggest among the three ruling coalition parties.

#### **Japan: EPA Chief Urges Bank Heads To Resign Over 'Jusen'**

*OW2702054996 Tokyo KYODO in English  
0234 GMT 27 Feb 96*

[FBIS Transcribed Text] Tokyo, Feb. 27 KYODO — Presidents of banks that founded ailing housing loan companies [jusen] should step down to take the



blame for the mortgage fiasco, Economic Planning Agency Director General Shusei Tanaka said Tuesday [27 February].

"I did not have the slightest idea of these heads remaining as presidents. They should have acted before they were told to step down," Tanaka told a news conference.

"My frank impression is it is surprising the presidents did not resign," he said.

Calls are growing for the founding banks to take a larger burden than originally envisaged in a scheme to liquidate the seven housing lenders.

The government scheme calls for the founder banks to put up 3.5 trillion yen to cover a total of 6.4 trillion yen in losses stemming from the liquidation.

#### **Japan: Firms Linked With 'Jusen' Debtor Change Names, Executives**

OW2502093396 Tokyo KYODO in English  
0747 GMT 25 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 25 KYODO — At least six companies reportedly affiliated with a big borrower from failed "jusen" housing loan firms have changed their executives, company names and the location of their headquarters in an apparent bid to dodge debt collection, industry sources said Sunday [25 February].

The companies are said to be affiliated with the Tokyo-based Azabu Tatemoto Realtor Group, which has borrowed about 110 billion yen from four of the seven virtually insolvent mortgage firms.

The changes began in the second half of 1995, when the resolution of the huge debts incurred by the housing loan firms started becoming a hot political issue.

Officials of Azabu Tatemoto said the realtor group was no longer affiliated with the six firms, although it had been before.

Experts pointed out the dubious changes might have been intended to make it more difficult for the housing loan firms to collect loans they extended to Azabu Tatemoto.

According to reports made public by the Finance Ministry, about 99 percent of Azabu Tatemoto's loans from Daiichi Housing Loan Co. and three other mortgage firms have become nonperforming.

The government of Prime Minister Ryutaro Hashimoto has come under fire over its scheme to use taxpayers' money to write off the huge debts incurred by the seven mortgage firms.

The burst of the bubble economy in the early 1990s mired the nation's realtors in debt due to a sharp fall in land prices.

#### **Japan: Dispute Over Work Hours Continues in Auto Industry**

OW2302124596 Tokyo KYODO in English  
1014 GMT 23 Feb 96

[FBIS Transcribed Text] Tokyo, Feb. 23 KYODO — Labor and management in the auto industry are staging a tug-of-war over the question of work hours, with neither side showing signs of compromise, sources familiar with the negotiations said Friday [23 February].

Workers are demanding a cut of 20 minutes per day in regular work hours from the current eight hours, the sources said.

Teruhito Tokumoto, who heads the Confederation of Japan Automobile Workers' Unions, stressed that auto workers will use the current round of annual wage negotiations between labor and management to catch up with their colleagues in electrical machinery, steel and other industries belonging to the Japan Council of Metal Workers' Unions (IMF-JC).

But workers' demands have fallen on the deaf ears of management, which maintains that a cut in working hours is by no means acceptable for the sake of maintaining Japanese automakers' international competitiveness, the sources said.

At a press conference Friday, for example, Masami Iwasaki, chairman of the Japan Automobile Manufacturers Association, said the proposed cut in working hours runs counter to economic realities and automakers' management conditions as it would increase costs.

Regular hours worked by members of 12 major unions belonging to the confederation average 2,006 in 1995, 50 and 130 hours longer than the averages in the electrical machinery and steel industries respectively. The proposed reduction of 20 minutes per day would result in a cut of 81 working hours a year.

But Iwasaki, vice chairman of Toyota Motor Corp., said automakers are not competing with electrical machinery and other manufacturers but with world car manufacturers.



**Japan: Shinshinto's 'Open Election' Detailed**

962B0025A Tokyo GENDAI in Japanese Feb 96  
pp 44-54

[Article by Yoshito Koeda, journalist: "Major Split Pending in Shinshinto: Can Ichiro Ozawa Survive?"]

[FBIS Translated Text] **Key Figures Such as Morihiro Hosokawa and Hajime Funada Wage All-Out Attack!**

**Surfacing of Anti-Ozawa Sentiment**

"What you were saying has been proven to be true. I now have a thorough understanding."

Hajime Funada, who was sitting in his seat in the main chamber of the House of Representatives, was suddenly tapped on the shoulders from behind at which time he turned to look back. Yuichi Ichikawa was standing behind him. After making a special effort to approach Funada at his seat, Ichikawa made that brief remark, turned his back toward surprised Funada, and quickly returned to his seat. That episode took place on 29 September 1995 when a special session of the Diet was called.

During a personnel reshuffle that took place just before that date, Ichikawa had been relieved of his assignment as Political Affairs Committee chairperson wherein he was responsible for managing Diet affairs for the party. On the other hand, immediately following the launching of the Murayama coalition government, Funada was alienated from Ozawa for a frank statement of criticism in which he said, "Biased information from Ichiro Ozawa, President of Shinseito (currently secretary general of Shinshinto) and management of party affairs by certain confidants of Ozawa caused the banishment of the Social Democratic Party (SDP) and Sakigake Party from the Hata cabinet." "What you were saying..." referred to such series of criticism of Ozawa, but Funada could not conceal his amazement at the words that came from Ichikawa who was once considered part of the Ichiro Ozawa-Yuichi Ichikawa alliance and recognized by Ichikawa himself and others as a close ally of Ozawa.

A full one year after formation of the party, Shinshinto, which aims to recover ruling power in the next general election to be held under the single-seat constituency system, has adopted an open-election system for party leader whereby "any Japanese citizen 18 years of age or older can cast a vote as long as he pays a fee of 1,000 yen." This initial experiment will provide a scenario in which Deputy Party President Tsutomu Hata and Secretary General Ichiro Ozawa—fellow party members from their Liberal Democratic Party (LDP) days—

would clash diametrically, since then-party President Toshiki Kaifu had chosen not to run as a candidate.

The party leader election will fulfill its initial objectives of publicizing an open party and attracting public interest. However, the struggle between the two will cause the surfacing of anti-Ozawa sentiments which have been smoldering in certain sections of the party and has created a situation which may lead to a party split.

The question arises, what has caused Ozawa, who in the past has chosen to play the role of a back-room strategist and stubbornly resisted any temptation to serve as the ostensible lead, to run as a candidate? When one examines the circumstances in this particular case, one must refer to the relationship between Ozawa and Ichikawa.

**Termination of the "Ichiro Ozawa-Yuichi Ichikawa" Alliance**

On the eve of 24 September [1994], a room in the Hotel Okura in Minato ward of Tokyo was used for a gathering including Kaifu, Ozawa, Ichikawa, "tomorrow cabinet" General Coordinator (chief cabinet secretary) Takeo Nishioka, and Deputy Party President Koshiro Ishida. At that meeting, Kaifu reiterated a personnel reshuffle plan first presented several days earlier to Ichikawa when he said, "Please depart from your duties as Political Affairs Committee chairperson who is responsible for Diet countermeasures and assume duties as 'tomorrow cabinet' general coordinator in lieu of Nishioka."

"I will do so. I will quietly withdraw from my current assignment, but I will not join the 'tomorrow cabinet.' However, why are you making changes in personnel assignments at this time? If you had such changes in mind, they should have been implemented immediately after the House of Councillors' election. We are at a stage when the appointments of the current officers will expire in another two months."

Anyone at the meeting could readily see that the sensitive Ichikawa was suddenly infuriated.

"It appears to be a case where Ichikawa is opposed to any major personnel changes."

It was not Kaifu, but Ozawa who made the remark.

Kaifu followed by asking, "Ozawa, what are your thoughts?"

"The party leader has exclusive authority over personnel assignments. If a decision has been made by the party leader, I will comply as the secretary general."



Angered by the poker-face statement by Ozawa, Ichikawa exploded with the words, "Wait a minute, Ozawa. Why are you reciting principles appropriate only for a neophyte? You're treating me like a stranger. Since when is it that you can no longer speak to me in a frank manner? I suspect we've come to this point because both the secretary general and the party leader are of the same perception."

Ichikawa had already awakened to the fact that the proposed personnel changes were being taken at the initiative of Ozawa. That being the case, it was totally impossible for him to tolerate principles recited by Ozawa.

Ichikawa accepted Ozawa's argument saying, "Since the special Diet session will focus on the disposition of the Religious Organization Law, it would be inadvisable to have Ichikawa, who is a former member of Komeito serve in an active role as Diet Affairs Coordinator." However, Ozawa's insensitive approach of relegating Ichikawa to the post of "chief shadow cabinet secretary" as a new assignment served to ruthlessly decimate the proud Ichikawa's self-esteem.

There was a reason for Ozawa's firm approach toward Ichikawa. It was a case that Ozawa had succeeded in establishing a direct channel of communication with officials of the Soka Gakkai in connection with the House of Councillors' election. That being the case, he no longer needed Ichikawa to serve as an intermediary.

In the end, Ichikawa was appointed acting secretary general under Ozawa. When Ozawa telephoned Ichikawa and asked him, "Is such an appointment really acceptable to you? Isn't it degrading for a former party secretary general to be appointed as an acting secretary general?" Ichikawa replied, "If you wish to speak of sensitivities concerning rudeness or degradation, I might say you were really degrading in your recent manipulations," and proceeded to hang up on Ozawa.

That was the moment of demise for the "Ichiro Ozawa-Yuichi Ichikawa" alliance which served to manage the turbulent political situation of the last several years covering issues such as the Gulf war, Tokyo governor's election in which they extended support to candidate Naonori Isomura, the Peacekeeping Operations Law legislation, and establishment of the Hosokawa coalition government.

"There are many individuals who serve Ozawa loyally, only to be later shunned. Even if such individuals survive such relationships, they normally last only three years at the most. I tolerated him for as many as seven years, ever since his days as LDP secretary general.

However, he assumes the position that he is entitled to all cooperation extended to him."

There are more than just a few people who have heard Ichikawa voice the foregoing complaint. Two months after this personnel upheaval at daybreak on 1 December, a Shinshinto bicameral membership meeting was held. Explanations concerning the circumstances surrounding the summoning of Soka Gakkai Chairman Einosuke Akitani for testimony in connection with the deliberations on the Religious Organization Law revision legislation deteriorated into a very tense situation in which Ichikawa and Ozawa exchanged heated statements, seemingly on the verge of exchanging physical blows, such as "Redo (the deliberations once more)!" and "OK. We can do just that!"

#### **Speculation Concerning Argument for Open Election of Party Leader**

The system for open election of party leader surfaced about the same time as the alienation of Ichikawa from Ozawa. It was July 1994 that former Prime Minister Morihiro Hosokawa proposed the open "primary" system of allowing nonparty members to participate as long as they paid a fee of 1,000 yen. Hosokawa explains the genesis of the open-election system in the following way: "Victory in the next House of Representatives election to be held under the single-seat constituency system will depend on how we conduct the election campaigns. If we adhere to former organizational-party theories that we curry favor with certain organizations and attempt to destroy others, we will not be able to win a majority vote. Also, don't you think terms such as party members and party associates are outdated? Young people even think of them as being vulgar. We probably should think in flexible terms in order to make election campaigns an attractive affair."

However, initially, Hosokawa's proposal was regarded as a "joke created in fantasy."

Junior parliamentarian Hiroshi Yamada testifies, "Such attitudes quickly changed to a pragmatic one, when a sense of rivalry was inspired by the LDP presidential elections pitting Ryutaro Hashimoto against Junichiro Koizumi and when the personnel reshuffle turbulence impacted in September." We cannot deny the fact that the supreme objective of reform to achieve a party open to the public was underpinned by the backdrop of achieving an open-election system because of discontent with the Kaifu-Ozawa alliance. And the fact that the open-election system was proposed by Hosokawa indicates that the Ozawa-Hosokawa alliance, which once engineered the destruction of the 1955 political system, is now completely defunct.



Hosokawa is very frank with those he feels he can confide in. Some have heard the following criticism from Hosokawa regarding Ozawa: "I was abused to a considerable extent by Ozawa even when I served as prime minister. He was a member of a different political party, but in reality he served as the secretary general of the coalition parties. Notwithstanding, it was impossible to get in touch with him. Even when I expressed a desire to speak with him as prime minister, there were times when the receptionist would not route my call to him."

He would absent himself from plenary sessions and party leader meetings, saying that he must give highest priority to winning elections. We should not condone appointment to secretary general positions of individuals who cannot be reached, when such contacts are essential—this was the common perception of not only Hosokawa, but Hata, Ichikawa and veteran parliamentarians who formerly belonged to the Takeshita faction. Such thoughts underscored the need for open election of party leaders and led to the strategy calling for "Support of Hata as the next party leader. Expel Ozawa from the executive ranks."

#### **"The Current Shinshinto Is Unacceptable."**

It was Funada who accelerated the implementation of the open-election system. At the end of August, at a meeting of the junior parliamentarians group called "Forum for Deliberating the Qualities of a Japanese Prime Minister," of which he is the chairperson, he proposed an election of party leader by votes cast by party members.

"Basically, I think we can give recognition to the system maintained by President Kaifu. He somehow managed to maintain a party composed of a motley collection of political parties and factions and achieved victory in the House of Councillor elections. However, when it came to party harmony, President Kaifu did an admirable job, but I believe the secretary general was somewhat neglectful of his duties in that respect. When it came to cooperation which could have been extended from parliamentarians of various factions, I could not help but feel a fragile link with the executive department. We could not deny the absence of the ability to manage the party as a whole in a vibrant fashion."

The foregoing is Funada's explanation for proposing an election based on party member ballots. Subsequently, in the first part of October, Funada and Hosokawa exchanged the following words:

"The proposal calling for the eligibility to vote anyone based on the payment of a fixed fee is a tremendous idea. My idea of limiting the vote to party members is

not a viable one. Let us proceed with your idea of a wider vote."

"I thank you for your comments. Please collaborate with me in making the party a more zestful one."

That conversation served as a launching pad for an alliance between Funada and Hosokawa. However, Hosokawa's idea of allowing nonparty members to participate in party presidential elections if they pay a fixed fee posed the issue of how to handle the accompanying administrative tasks. A solution for that issue was devised by Hajime Ishii. Hosokawa consulted with Ishii who had engaged himself in the promotion of political reform as Political Reform Headquarters Election System Committee chairperson during the LDP days, House of Representatives Political Reform Special Committee chairperson in the Hosokawa cabinet, and Minister of Home Affairs in the Hata cabinet.

"We went to special pains to establish Shinshinto, but we need to make some changes. I am not necessarily speaking of changing the current executive department, but I cannot be confident about prevailing over the LDP during any general election with Kaifu-Ozawa duo as if we were approaching the election with a hackneyed campaign slogan. Now that I have proposed the idea of an open-election system, I seek your help in coming up with some supportive ideas so that it does not face rejection as an impractical concept."

The foregoing statement has bits and pieces which are suggestive of the motive to expel Ozawa, but putting that observation aside, Ishii responded to the foregoing appeal for help by devising a ballot-casting system backed by a postal remittance. Ishii comments:

"Hosokawa is an incarnation of reform per se. He has a modernistic sense and a strong conviction that we can no longer tolerate the antiquated."

The alliance between Hosokawa and Funada with the support of concrete assistance from Ishii led to the implementation of the open-election system before the yearend. You could hear the "Oust Ozawa" incantation flowing in the background.

#### **Ozawa Myth Was an "Illusion"**

In the meanwhile, Shinseito Party Charter Committee Chairperson Moriyoshi Sato and Administrative Bureau Chief Hiroshi Kumagai served as the formal executive staff of the party in implementing the open-election system. As the two conducted a series of surveys with all parliamentarians, they learned that more than 80 percent of the parliamentarians held the view that party leader elections should be extended beyond Diet and party members into an open system. Moreover, at a



Party Charter Committee meeting held in the middle of October, nine of the 10 committee members voted for the implementation of an open-election system which assigned equal weight to votes cast by Diet members, party members, and participants from the general public.

Armed with those results, Sato and Kumagai proceeded to lobby party executives. Secretary General Ozawa was one of the key persons who expressed a negative view of the idea in saying, "You speak of a sophomoric idea in terms of holding an open election in the absence of party members."

On 25 October, the day before the party leaders meeting, Sato and Kumagai visited Ozawa.

"It will be impossible to use authority as a basis to restrain the overwhelming majority, which favor an open election."

"If everyone is in favor of the idea, it's acceptable to me."

When he heard these words, Kumagai immediately said, "Thank you," bowed his head, and rose from his chair to depart, leaving Sato behind.

"Notwithstanding, if it's acceptable to me," is followed by however, the arguments made in support of the concept would be undermined. Ozawa has firm convictions based on abundant experience as a party man, but if he is confronted with such words, he finds himself in a quandary, in an attempt to come to a conclusion because of cultural differences."

As the party leader open-election theory approached actual implementation, Ozawa found himself being gradually cornered in terms of his previous thought that "As long as they make me secretary general, it didn't matter whether Kaifu or Hata became party leader." The party charter was revised so that the new party leader would make appointments to the secretary general post and information surfaced that Hosokawa, who had strengthened his anti-Ozawa stance, had allied himself with Hata under the condition that Ozawa would be expelled from the executive department. Moreover, even Ichikawa had assumed an anti-Ozawa position because of changes made in the recent personnel reshuffle. Even intraparty consensus called for implementation of the open-election system. It had come to a point where Ozawa had no power or means to obstruct the system implementation and had no choice but to accept it. A decision was made to implement the party leader open-election system officially before yearend, after deliberations at the party leader conference and the standing executive meeting.

Even then, Ozawa stuck with his analysis that even if Hata became party leader, Hata would not be able to relieve him from the secretary general post. The foremost reason was that he achieved victory in the House of Councillors election and the desire was frequently voiced among junior parliamentarians, who feel threatened by elections, that Ozawa should be retained in the secretary general post. However, among powerful veteran parliamentarians a firm resolve existed among former fellow Dietmen and members of the Takeshita faction to expel Ozawa. Some parliamentarians refer to the myth that Ozawa is strong in the conduct of elections by categorically declaring, "Such is a total illusion!"

"Even in the special Saga elections to fill existing vacancies, Ozawa merely summoned presidents of major corporations and officials of labor unions at 10- to 15-minute intervals and asked for their cooperation, but criticism was frequently voiced that, As a secretary general of an opposition party, he should have been visiting instead of summoning." And even the summons were arranged by the party organization. Selection of candidates ran behind schedule and the elections were waged with 90 single-seat constituencies and 150 of 200 proportional representations without Shinshinto candidates. It is only the mass media and the junior parliamentarians who believe in the myth."

Another parliamentarian closely associated with Hata states in despair, "We are fellow parliamentarians that have served together for many years, making me feel that I should somehow extend my support to him, but I feel I have reached my limit. I can accept politics based on cronyism, but his political ideas are pass."

#### Provocation by Hata

Comments of the foregoing nature became blatant as Hata clarified his desire to run as a candidate and as Ozawa associates made preparations for the latter's candidacy. And, it was the speech made by Hata on 25 November at Komazawa University that decisively forced Ozawa to make a decision. Even Hata made his anti-Ozawa stance clear, following individuals such as Hosokawa and Ichikawa.

"Ozawa is looked upon with skepticism because he fails to confide in his thoughts with fellow parliamentarians. In forming a new political party, he must conduct himself more positively before the public, lest he will have a negative impact on the growth of the party."

Additionally, Hata said, "Why not elucidate your policies and boldly engage in the (party leadership elections)," challenging Ozawa to run against him. According to sources close to Ozawa, he was fiercely angered by the statements. The statements reflected lip service



typical of Hata's style, but Ozawa as well as associates of Ozawa decided to completely sever any ties with Hata. The situation created an irreparable break between Hata and Ozawa who had until then worked closely in connection with the breakup of the Takeshita faction and exodus from the LDP.

Having become aware of and concerned over the gravity of the situation, Funada visited Hata at his office in the Zenkyoren Building near the Diet.

"I also spoke of Ozawa's favorable points, but the newspaper failed to quote such passages."

"What more can you expect? After all, newspapers make a business of featuring the spectacular. Ozawa's associates are all upset over the speech and now that the situation has come to this point, you might as well expect him to run as a candidate."

"Yes, you are probably right. Ozawa may just run as a candidate. However, he must change. If he remains unchanged, he'll only succeed in making enemies."

Although he was concerned about Ozawa, even Funada realized that much of the intimate feelings towards Ozawa had diminished.

#### **"Not Destined To Die a Normal Death in Any Event."**

Hata's speech at Komazawa University had inspired an intensification of enthusiasm within the Ozawa camp for an Ozawa candidacy. At the end of November, in a Tokyo hotel, Moriyoshi Sato, who is a self-appointed mentor to Ozawa, persuaded Ozawa to become a candidate.

"Ozawa, now that some are slandering you for running a two-tiered power system, why not just post yourself as a candidate for the position of party leader. As long as you have dedicated yourself to a political career, I don't think you should allow yourself to terminate your career as a secretary general."

"Yes, but I don't think I am of the caliber to fill a higher position."

"I understand you have a heart problem, but you should be able to take care of it by merely taking a three-hour afternoon nap each day. In any event, as was the case with Kennedy, politicians of your type are not destined to die a natural death in any event."

" . . . . ."

"You cannot hope to convince fellow party members by saying, you can serve as secretary general, but cannot serve as party leader. If you insist on not being able to

serve as party leader, you should not serve as secretary general."

" . . . . ."

Ozawa did not provide an affirmative reply. On the other hand, he did not ask that movements in support of his candidacy be terminated. The "Group to Support a Party Leader Ichiro Ozawa" made steady progress toward his candidacy and it was on 1 December, a full 10 days before he officially announced his candidacy, that orders were placed for posters which read "Ichiro Will Gamble His Health"—which was a bad pun on Ozawa who suffers from heart disease—but he even allowed the posters to be made. It was a case where Ozawa was allowing a two-pronged strategy of both subtle and aggressive approaches.

As the Shinshinto was split into pro-Ozawa and anti-Ozawa factions, junior members of the Hata camp, such as Shigeru Ishiba, Katsuya Okada, and Kenji Kosaka, made an effort to somehow avoid a split between the two close allies under an arrangement calling for "party leader Hata and Secretary General Ozawa." The group visited Ozawa in the morning of 6 December at the secretary general's office within the Diet and appealed directly by saying, "Now that the situation has progressed to this point, Hata himself cannot speak of Secretary General Ozawa being retained in that position, but in the end that should be the outcome and we are making an effort to realize that outcome. Please, forego any thought of an all-out confrontation."

"Hata and I are comrades that acted jointly in leaving the LDP. If he had anything to say about me, why didn't he say it straight to my face, instead of making it a topic for his speech at Komazawa University? In fact, if he had intended to run as a candidate, a logical approach for him would have been to ask for my cooperation as a long-time comrade, instead of criticizing me."

Ozawa made the foregoing remarks as he rejected the proposition by Ishiba and his group. Even so, the group pinned their final hopes on a compromise which would hopefully take place in a conference between Hata and Ozawa to be held late in the evening on the following day, 7 December. Just before the conference, a one-page message was passed to Hata. The paper drafted by Ishiba and Kosaka on a word processor read, "We would like for you to hint that Ozawa will be requested to fill the post of secretary general in the event of a party president Hata, even if you don't make a direct statement to that effect." At the same time they had relayed a message to Ozawa associates that "Since the prospect of a Secretary General Ozawa has not been eliminated, we ask that you do not come to any premature conclusions."



The conference was attended by Kozo Watanabe who was first elected to the Diet along with Ozawa in 1969. As a means of resolving the situation, Watanabe asked the two to allow him to deal with a clean slate in making decisions on the candidacy for party leader. Ozawa agreed to the approach. He might have felt, "Hata won't agree to the approach any way," or he might have hoped that Hata would agree to a final compromise—he most likely sensed an element of ambivalence in this respect. In contrast, Hata repeated himself in expressing what appeared to be an inflexible reply, saying, "I cannot alter my determination to run as a candidate. And I cannot make any statement about who will be secretary general at a stage when I have not been appointed as president." The paper drafted by junior parliamentarians served no useful purpose.

### **Ozawa Camp Took the Offensive**

Moriyoshi Sato comments: "It was known even before the meeting that it would not end in any agreement." Ozawa made no attempt whatsoever at making any excuse or any explanation. In contrast, Hata was overly meticulous in an attempt at explanation, but he avoided substance.

"After the meeting, Hata thought, 'An understanding had been reached,' and Ozawa thought, 'I heard nothing.' That was the outcome following several previous meetings between the two, and this time around, there was no difference."

At the second meeting held in the Diet building at noon on the 8th, no prospect of a solution was found and intermediary Watanabe finally began to get angry.

"Hata, stories began to emerge from sources close to you that said, 'Ozawa will not be designated as secretary general,' creating a situation among Ozawa associates who said to him, 'If that is the case, please run as a party leader candidate.' I want you to make yourself well aware of this fact. There is nothing more that I can do."

The talks broke down and Watanabe decided to shift towards supporting an Ozawa candidacy.

Once they realized a severe clash was inevitable, the Ozawa camp was fast to act. Most of the veteran parliamentarians from the Takeshita faction belong to the Hata camp, while the Ozawa camp is supported by one- and two-termers with the exception of Sato, Watanabe, Toshihiro Nikai, and Hirohisa Fujii. Initially, it was felt that Hata had the advantage because he was supported by fellow politicians who had engaged in many fierce political battles. However, the Ozawa camp controls party finances through Fiscal Committee Chairperson Fujii and nationwide candidates, supporters, and

party members through Election Countermeasures Bureau Chief Nikai. Additionally, Kenji Nishioka, Sadao Hirano, and Taiichiro Nishikawa serve as monitors for such issues. The fact that Ozawa as secretary general had placed his confidants in charge of the core functions of the party enabled him to assume the offensive in the initial stages of the battle for party leadership.

Further, former Democratic Socialist Party (DSP) Chairman Takashi Yonezawa, among those labor organizations with numerous Ozawa fans, appealed for support of Ozawa.

Officials of the Hata camp became pale out of fear.

"When we began to move on preparations for a Hata candidacy, we found that the Ozawa forces had already taken the initiative. The Ozawa camp controlled the party rosters and prospective new candidate lists, and we found out that they had started taking action with labor unions at an earlier date. Further, the Hata camp is occupied by individuals who are opinionated and it was necessary to hold discussions on who would be made responsible for the elections. A favorable view might be that we are more democratic; however, the Ozawa camp takes action on orders from one individual, and members of the camp are thrust into action peremptorily, providing for greater mobility. The situation is comparable to warfare waged between heavy-tank and bamboo-spear forces."

The Hata camp immediately embarked on a plurality strategy, but even in this respect, the Ozawa camp had made a quicker move. Targets are made of intermediate groups or junior parliamentarians of the opposing camp. Senior parliamentarians come visiting and ask, "Are you present?" and sit down to dominate the conversation for two or three hours.

"There is no point in siding with the Hata camp. If you think of participating in an election, you'll have to think of the advantages of siding with the Ozawa camp."

The foregoing is the type of pressure being exerted by the Ozawa camp.

### **"Is Ozawa Acceptable as the Party Front Man?"**

However, the question of whether the Shinseito president should be Ozawa or Hata is a fateful one for it is analogous to the question of which of the two will be chosen to lead the party in the next House of Representatives election. As introduced earlier in this article, an extremely critical point for the Shinshinto is "how it will wage its campaign" for the next House of Representatives election. Each of the political parties have simulated the conduct of single-seat constituency system elections, but the Shinshinto survey results showed that



the LDP and Shinshinto will be competing for about five percent of the votes in 100 or one-third of the districts. In other words, 2 to 3 thousand votes will determine success or failure as a candidate. Ishii, who has been appointed as acting election countermeasures headquarters chief, cites such figures as he states:

"That being the case, the political situation and who the party front man is will significantly impact on success or failure in the elections. Further, if election results show that neither the LDP nor Shinshinto is able to capture a majority and the campaign becomes a close one, there will be the question of the source for recruiting supporters to capture government power and once again the choice of a party front man will become a critical issue. When one considers the fact that a shotgun coalition was formed between the LDP and SDPJ 18 months ago on the basis of an anti-Ozawa approach, one could argue against a central party role for Ozawa."

In so saying, Ishii stressed that as a party leader Hata was preferable to Ozawa. The logic sounds like it comes from someone who is an expert on election affairs, but Hata, who has served two months as prime minister, lacks the quality of freshness. In fact, attention was focused on Ozawa who had made a front-stage appearance for the first time. As soon as he made a decision to run as candidate, Ozawa surprised the public with a list of logical policy statements. Among them, two became the center of debate; i.e., "Cut income and resident taxes in half, and hike consumption taxes to 10 percent 10 years later" and "Establish a United Nation's Police Force." It is typical of Ozawa to have featured a hike in consumption taxes which is easy to visualize as stirring a reaction from housewives.

I asked Hosokawa, who has accepted the position of senior advisor to the Hata camp on election countermeasures for his reaction to the Ozawa proposals. Hosokawa made the following comments as if to recall the controversy created during his prime ministership relative to the National Public Welfare Tax.

"I myself think the proposals will face much difficulty. There is no doubt that a need to revise the ratio between direct and indirect tax rates exists, but we'll probably have to avoid discussing the hike solely in terms of 10 percent. In any event, I feel we should look to rising tax revenues based on an improving economy and a simultaneous cut in government spending based on administrative reform."

#### **Bottleneck Posed by Relations With Soka Gakkai**

One wonders just what kind of leader is Ozawa? Hiroshi Kumagai, who has distanced himself somewhat from Ozawa and who has served Ozawa from his days as

LDP secretary general, points out that Ozawa is better qualified as party leader than as secretary general.

We are at a stage where politicians must appeal to the public for a need for major policy changes. However, Ozawa is not the type to fit in as the starting pitcher. He is the type to appear in the bottom of the ninth inning—when there are no outs and the bases are loaded and one point won by the batting team would result in its victory—and pitches to score three strike outs. During World War II Churchill exercised extraordinary leadership, but once the war was over, he was quickly cast aside by the public. Ozawa is of the same genre. Ozawa has the ability to concentrate on a given issue far beyond the extent capable by many of us. However, since we are speaking of disregarding many factors and concentrating on the use of a special capability, any mistake in the timing for use of his skills can create unnecessary problems."

Unfortunately, we cannot predict the outcome of the race as we write this article (19 December 1995). However, one definite matter is that the fact that Ozawa, who has chosen to run as a candidate, has greatly limited his options relative to strategies for winning government power. The clear-cut appearance of anti-Ozawa forces within the party means that his failure to win the party presidential elections will translate into a sharp decline in power. Even if he were to form an Ozawa faction to preserve his influence, there is the strong possibility that the Soka Gakkai which in the past supported Ozawa could cut off support.

Even if he were to win the election, there is the risk of the party being split dependent on how he treats the Hata camp. Within the Hata camp, there are those who say, "Hosokawa has given up hope on the Shinshinto and he might leave the party in search of a party alliance with the LDP or the liberal forces." Ozawa confidants fume, "If they wish to leave, they can do so. They'll merely face miserable defeat in the single-seat constituency system of elections." Moriyoshi Sato comments:

"We must be humble in times such as these. Even if Ozawa should win, if there are any Ozawa confidants who attempt to punish those who sided with Hata, I will handle the scoundrels and remove them from the position of cronies."

However, even if a split is avoided, as Ishii suggested, there are no forces which will form an alliance with an "Ozawa Party" and a need will arise to further strengthen ties with the Soka Gakkai as a means to achieve an independent majority. If that should happen, the offensive from the ruling party will be rapidly intensified and intraparty skepticism may arise. Then, there is the question of whether voter support



in a general election can be obtained on a major increase in consumption tax. There is the possibility that parliamentarians within the camp that supported the Ozawa candidacy will ask for a review of policies before elections.

#### **Possible Political Restructuring Before General Elections**

When I asked if introduction of the open-election system for the party president was truly advantageous to the Shinshinto, Funada thought for a moment and replied, "It was a drastic measure," and continued:

"If no retaliatory personnel reshuffle takes place, party unity is maintained, party strength is bolstered, and dissolution of the House of Representatives takes place around spring, regardless of who wins the presidential election. We should then see a fairly favorable impact from the introduction of the open-election system. I hate to even think of the potential situation if the situation does not pan out to fit this description."

Funada did not force himself to say so, but he seems to feel uncertain about the prospects that the open-election system that he promoted himself has the potential of resulting in a party split. In that respect, Hosokawa, who is deemed to have proposed the open-election system with the prospect of a party split from the very beginning, spoke in a truly exhilarated fashion, as follows, because he has already given up hope on Shinshinto.

"We are talking about a story in which Ozawa, who has always functioned as a back-room manipulator, has come to the forefront, which in itself is of significance. I am happy as a proponent of the open-election system, because we will achieve success in its implementation whether the winner becomes Hata or Ozawa."

He, then, added:

"The upcoming election will have a wide political impact. The LDP and the SDPJ may be looking upon the situation as if it were someone else's problem, but such an attitude will prove unacceptable. They are not completely disassociated with the Shinshinto elections and the results may impact on their situations. This is a case where a pregeneral election political restructuring is not completely out of the question."

In other words, although we have been discussing an election for an opposition party president, Ichiro Ozawa will be facing some crucial tests regardless of the election outcome and movements toward a political restructuring will slowly progress after the advent of the New Year.

#### **North Korea**

##### **DPRK: Arrival of U.S. Carrier in Pusan Seen as 'Provocation'**

SK2702011396 *Pyongyang Korean Central Broadcasting Network in Korean*  
2100 GMT 26 Feb 96

[FBIS Translated Text] According to reports from South Korean papers, the U.S. aircraft carrier Independence crept into Pusan Port on 24 February.

The aircraft carrier belonging to the U.S. Seventh Fleet is reportedly loaded with carrier-borne aircraft, warship-to-air missiles, and warship-to-warship missiles. In addition, the aircraft carrier is infamous for conducting war exercises in areas close to the Korean peninsula.

The aircraft carrier's arrival at Pusan Port is an extremely dangerous provocation aimed at exercising its influence on the Kim Yong-sam clique which faces a serious political crisis and is aimed at unleashing a new war on the Korean peninsula at any cost, arousing strong denunciations and protests at home and abroad.

##### **DPRK: SKNDF Accuses Kim Yong-sam of Irregularities in Fund Scandal**

SK2402110596 *Pyongyang KCNA in English*  
1042 GMT 24 Feb 96

[FBIS Transcribed Text] Pyongyang, February 24 (KCNA) — The Propaganda Department of the Central Committee of the National Democratic Front of South Korea (NDFSK) [SKNDF] issued a document on February 20 disclosing the traitor Kim Yong-sam's slush fund scandal.

The document said the "civilian" dictator Kim Yong-sam is the kingpin of irregularities and theft who has overshadowed former dictators of South Korea.

It said:

Since he entered "Chongwadae" [presidential offices] his irregularities have become monstrous and more serious. One year after he came to power he became the seventh richest man in South Korea and now, three years after he became "president," he is the no. 1 richest man.

After taking power, he has gathered more than 200 billion won [US\$260 million] from 1,107 high-ranking public officials under the pretext of "reform" and "opening of wealth by public officials."

The money he amassed through the "system requiring real name in financial depositing" amounted to more than 800 billion won [US\$1.04 billion].



He has had one-to-one meetings with tycoons and given them special favors, receiving fat bribes. He has also collected more than 500 billion won [US\$650 million] from businessmen through the investigation into No Tae-u's slush fund scandal.

Meanwhile, he has got a colossal amount of money by means of approving the construction of golf courses, which is within the power of the "president." In 1994 he got 185 billion won [US\$240 million] in return for approving the construction of golf courses of 2,880,000 pyong (a pyong is 3.954 sq. yds.)

The traitor has unhesitatingly perpetrated such treacherous acts as betraying the interests of the nation and lifeline of the people for the purpose of amassing illegal wealth.

It is a typical instance that he opened domestic market for U.S. rice through the "South Korea-U.S. summit" in November 1993.

For the rice import liberalization, he received dlsr [dollars] 50 million from U.S. rice producers.

He also received dlsr 15 million after endorsing the traitorous document stipulating that South Korea's share in the cost of maintaining U.S. troops in South Korea increases ten percent every year, and was given dlsr 18 million in return for the approval of the purchase of patriot missiles.

He was bribed with tens of billions of yen for not taking issue with Japan's past wrongdoings and has been given a large amount of money for providing favorable investment conditions to Japanese monopolies.

Kim Yong-sam has used his wife, children and relatives in amassing illegal wealth.

His second son, Kim Hyon-chol, gathered a colossal amount of money through the "Sangmudae Training Centre scandal," "the herb drugs company scandal," "the Greenbelt Promotion Committee scandal," etc.

He, called the "small president" and "the no. 1 man of South Korea" even in the political circles, was bribed with hundreds of billions of won by dabbling in personal affairs such as frequent "cabinet reshuffles," streamlining of the government structure and military personal affairs.

Kim Yong-sam's wife, Son Myong-sun, is also bent on money-making. She has resorted to every conceivable means with the goal of collecting 1,000 billion won [US\$1.3 billion] in the hope of Kim Hyon-chol's running for presidency in the future.

Kim Yong-sam's father Kim Hong-cho, the husband of his wife's sister to Chae-yong, his cousin-in-law Son

Song-hun and his second cousin Hong In-kil are also engaging in illicit accumulation of wealth by abusing Kim Yong-sam's power.

The traitor Kim Yong-sam has stashed a large amount of money in foreign bank accounts. He has purchased land, buildings and other estate in secrecy in European and other countries, which amount to hundreds of millions of dollars.

With the chief thief, who seeks personal luxury and irregularities, left as "president," is it impossible to see independence, democracy, reunification and genuine politics for the people, which our nation and people are longing for so ardently.

The document called for all the patriotic people to invigorate the anti-corruption, anti-"government" struggle.

#### **DPRK: ROK Excoriated for 'Inhuman Act' of Seizing Medicines**

*SK2502071696 Pyongyang KCNA in English  
0645 GMT 25 Feb 96*

[*"NODONG SINMUN on Inhuman Act of Fascist Tyrant" -- KCNA headline*]

[*FBIS Transcribed Text*] Pyongyang, February 25 (KCNA) — The South Korean puppets illegally seized 85 pieces of ten kinds of medicines including ox bezoar cordials made in the North of Korea from Mun Ho-kun, son of the Rev. Mun Ik-hwan, at Kimp'o Airport on Feb. 22. He purchased the medicines in Japan for his mother, who has been suffering from an illness.

Commenting on the fact, NODONG SINMUN today views their act as an atrocity which can be perpetrated only by such human dregs and immoral fascist tyrants as the Kim Yong-sam group with no shred of human conscience and no sense of morality and ethics.

Their fascist outrage was to find a pretext for another suppression of Pak Yong-kil, a patriotic champion of reunification who is admired by the whole nation, and her family, the paper says, and continues:

Not only Mun Ho-kun but any others of South Korea may purchase foreign medicines for their parents when they are abroad. In this case, they are quite innocent.

We will make the Kim Yong-sam group pay dearly for such crimes as putting Pak Yong-kil, respected by the whole nation, on the altar of fascist law and seizing the medicines which were obtained for her medical treatment.

The Kim Yong-sam fascist clique must promptly stop suppression of Pak and her family and return what they confiscated.



**DPRK: 'Chain of Suicides' in ROK Linked to Kim Yong-sam Misrule**

SK2702051296 *Pyongyang KCNA in English*  
0406 GMT 27 Feb 96

[*"NODONG SINMUN Attributes Endless Suicides in S. Korea to Misrule"* — KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 27 (KCNA) — An unbroken chain of suicides in South Korea are offsprings of the anti-people rule of the Kim Yong-sam group, which have inflicted unbearable misfortunes and sufferings on the people, says NODONG SINMUN today.

In South Korea, many suicides have been reported from the beginning of this year. Two singers committed suicide, a woman plunged to her death from her flat after killing her two children and a minor businessman took his own life after suffering from financial difficulty. And even a policeman destroyed himself.

In a commentary the paper says it is because of the puppet clique's traitorous rule that South Korea has come high in the world's list of "suicide-afflicted nations."

The "policy of reforms" advertised by the Kim Yong-sam group has further reduced the people to slaves for outside forces and driven the economy and people's livelihood deep into distress, the paper says, adding:

Without removing the traitor Kim Yong-sam, who has turned South Korea into a living hell where the rich get richer and the poor poorer, can South Korean people never evade such a miserable end as suicide.

**DPRK: ROK Urged To Replace Corrupt Forces With Progressives**

SK2702091496 *Pyongyang KCNA in English*  
0836 GMT 27 Feb 96

[*"Government Should Be Composed of Progressive Forces in S. Korea"* — KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 27 (KCNA) — If a genuine alternation of generations is to be made in South Korean politics, it should be not a mere alternation in age but a replacement of the old and corrupt forces shot through with flunkeyist treachery and anti-communist confrontation, by progressive forces aspiring after independence, democracy and reunification.

NODONG SINMUN stresses this in a signed article today.

In South Korea some quarters have raised a theory of "alternation of generations" in political circles, with the

15th puppet parliamentary elections to be held in April and the puppet presidential elections due late next year.

Their arguments and views are, however, different from the people's because they are all trying to satisfy their wicked desire for power.

Especially, the argument raised by the traitor Kim Yong-sam and his "the New Korea Party" is nothing but a political slogan intended for the extension of their grip on power and for their safety after the retirement, the author of the article notes, and goes on:

The Kim Yong-sam group and other conservative forces of South Korea have sought treachery, fascism, confrontation, division and war and engaged themselves in irregularities.

With those forces left alone, is it [as received] impossible to expect democratic freedom and rights of the people, eradicate irregularities and social evils and hope for the settlement of the reunification question.

The South Korean people should oust the traitorous Kim Yong-sam group and other old and hackneyed, conservative forces from the political arena and help the progressive forces desirous of independence, democracy and reunification enter the stage of politics.

The basic goal of the struggle for independence, democracy and reunification is to bring about a genuine alternation of generations in South Korean politics and thus set up an independent, democratic government.

All the patriotic, democratic forces of South Korea, who oppose the outside forces' domination and fascist rule and aspire after independence, democracy and reunification, should closely unite as one and valiantly turn out in the struggle to terminate the colonial fascist dictatorship and establish an independent, democratic government by the progressive forces.

**DPRK: Symposium in Japan Reviews Chuche Idea, Japan-DPRK Friendship**

SK2302090196 *Pyongyang KCNA in English*  
0853 GMT 23 Feb 96

[FBIS Transcribed Text] Pyongyang, February 23 (KCNA) — A national symposium on the chuche idea and Japan-Korea friendship was held in Chiba Prefecture on February 18 on the occasion of the 54th birthday of the great leader Comrade Kim Chong-il, a Tokyo-based Korean news service report said.

It was cosponsored by the Chiba Executive Committee of the national symposium, the Japan National Liaison Council of Societies for the Study of the Chuche Idea and the Japan National Liaison Council of Societies



for the Study of Kim Chong-il's works. Present were delegates of organisations and citizens across Japan who follow the chuche idea.

Invited there were a delegation of Korean social scientists on a visit to Japan, O Hyong-chin, vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), and others.

Seiichi Sakugawa, president of the Japan National Liaison Council of Societies for the Study of the Chuche Idea, made a keynote report at the symposium.

He said that the symposium is of weighty importance in obtaining a correct understanding of Korea and promoting Japan-Korea friendship.

He continued:

In order to have a good understanding of Korea and strengthen friendship and solidarity with it, it is necessary to know well the idea of Korea above all.

Korea is a country based on the idea centering around the popular masses and a country which is exalting the dignity of humankind and is united by love and trust thanks to the chuche idea.

The Korean people's mode of existence and social features are teaching a lot of things to us, who are living under the capitalist system in which individualism is forced.

In order to correctly cognize Korea, it is also imperative to know well the politics and economy of Korea.

Korea is under the military threat and economic blockade of the imperialists, but all the people are confidently advancing along the road of socialism, firmly united around the leader and the party as one.

The symposium will contribute to getting the "Japan-U.S. Security Treaty" and the U.S. military bases in Japan repealed and dismantled and to making Japan independent by obtaining a correct understanding of Korea and intensifying friendship and solidarity with it.

The great leader Comrade Kim Chong-il recently published immortal famous works "Giving Priority to Ideological Work Is Essential for Accomplishing Socialism," "The Workers' Party of Korea Is the Party of the Great Leader Comrade Kim Il-song" and "Respecting the Forerunners of the Revolution Is a Noble Moral Obligation of Revolutionaries", which indicated what road the humankind should take toward the 21st century and inspired the world people in their efforts to carry out the cause of independence.

The reporter elaborated on the main content and historic significance of the works.

Referring to the tasks to disseminate and study the chuche idea this year, he called for making a deep study of the chuche idea and building a new society which is formed by love and trust.

The head of the delegation of Korean social scientists gave a lecture on the subject "Socialism Centred on the Popular Masses Emerges Victorious Under Leadership of the Respected Leader Kim Chong-il" at the symposium.

Also there were study reports on the subjects "We Think of the Chuche Idea in International Relations at the Present Time" and "Importance of Socialist Idea in Japan at Present".

A report on the International Seminar on the Chuche Idea for Independence, Peace and Friendship which was held in Moscow was made at the symposium.

The symposium adopted a letter to Comrade Kim Chong-il.

Then it was followed by a banquet for celebrating his 54th birthday.

#### **DPRK: Koreans in Japan Support Making 1996 Year of Peace, Unity**

*SK2602084596 Pyongyang KCNA in English  
0838 GMT 26 Feb 96*

[FBIS Transcribed Text] Pyongyang, February 26 (KCNA) — Kim Chong-su, chairman of the Association of Korean Residents in Japan for Peaceful Reunification, issued a statement to the press on February 20 supporting the proposal of a joint meeting of the political parties and organisations in the Democratic People's Republic of Korea to make 1996 a "year of peace and great national unity."

He said that Koreans who love the country and desire the security of the nation must unite as one with the national interests placed before anything else, transcending differences in ideology, system, political view, religious belief and affiliation, and with this strength, they must rise up as one man in the sacred struggle to check and frustrate the confrontation and war moves of the South Korean warmaniacs and make a turning-point for national reunification.

He declared that he would exert all his energies in the joint struggle to strengthen great national unity and achieve the peace and reunification of the country by promoting national unity of Koreans in Japan and widely conducting contacts and dialogue with Korean



organisations and individuals in South Korea and overseas.

"By firmly joining hands with all the patriotic forces at home and abroad, we will conduct a powerful struggle for the abrogation of the fascist 'National Security Law' obstructing great national unity and reunification and for the prompt release of pro-reunification, patriotic-minded figures including the members of the South side headquarters of the National Alliance for the Country's Reunification (Pomminnyon) who have been illegally arrested and detained on charges of violating this evil law," Kim Chong-su stressed.

**DPRK: Japan Must Acknowledge Past Crimes, Make 'Apology'**

SK2702084396 *Pyongyang KCNA in English*  
0808 GMT 27 Feb 96

["'Kanghwa Island Treaty' Reveals Japan's Brigandish, Aggressive Nature, Says NODONG SINMUN" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 27 (KCNA) — The "Kanghwa Island Treaty" (Korea-Japan Amity Treaty on February 27, 1876) was the first brigandish, aggressive treaty forced by the Japanese aggressors to infringe on the sovereignty of the Korean nation and subordinate the country by military threat and blackmail under the zealous patronage of the United States, says NODONG SINMUN today.

The paper quotes the Great Leader Comrade Kim Il-song as saying:

"We do not forget the history of the Japanese imperialists' invasion of our country."

In view of its conclusion, the "treaty" was a product of the Japanese aggressors' military coercion and deception against the Yi Dynasty rulers, the paper says in an article, and continues:

After the "Unyo-Maru" incident occurred in September 1875, the Japanese aggressors sent a "plenipotentiary" to Korea under the pretext of "protecting" the Japanese residents in Korea and "calling the Korean Government to task for gunshot to the ship, and pressed for a conclusion of an unequal and subordinate treaty. [no end quote marks as received]

Their brigandish nature was brought into a bolder relief in negotiations for the "treaty".

From the beginning of the negotiations, they urged the Korean Government delegate to unconditionally accept their draft so that the "Kanghwa Island Treaty" consisting of 12 articles was forged.

It was really a brigandish, aggressive treaty which enabled Japan to encroach upon the sovereignty of Korea and penetrate deep into the domestic market. It stipulated that Pusan port would be open and the Japanese would be allowed to make surveys and draw maps in the waters off Korea.

Later, the Japanese aggressors, availing themselves of the "treaty," deeply infiltrated into the political, economic, military and all other fields of Korea and, finally, occupied Korea by force and brought immeasurable misfortune and sufferings to the Korean people for 40-odd years.

Japan must make public all the crimes committed by the Japanese imperialists against the Korean people in the past and make an honest apology and compensation to them, urges the paper.

**DPRK: Council on Supporting Korean Reunification Held in Prague**

SK2502065496 *Pyongyang KCNA in English*  
0630 GMT 25 Feb 96

[Spelling of non-Korean names as received]

[FBIS Transcribed Text] Pyongyang, February 25 (KCNA) — A Council on the Method of the International Solidarity Movement for Supporting Reunification of the Korean Peninsula and Demanding the Repeal of "National Security Law" [NSL] in South Korea was held in Prague some days ago.

Roberto Gabriele, general secretary of the Movement for Peace and Socialism of Italy, said in an opening speech that the issue of reunification of the Korean peninsula constitutes an important matter for the world peace movement for peace in Asia and the rest of the world and the establishment of a just international political order.

He held that the "NSL", which aggravates division and confrontation in the region and violates and stamps out the democratic rights, freedom and human rights of the South Korean people, should be abolished on any account.

Speeches were made at the council.

Cho Min-yong, head of the delegation of the National Democratic Front of South Korea (NDFS) [SKNDF], underscored the essence and urgency of the issue of reunification of the Korean peninsula, disclosing and denouncing the traitor Kim Yong-sam's crime against reunification.

He brought to light the reactionary nature of the "NSL", an evil law opposed to reunification and democracy, and



voiced active support to the proposal for the formation of an European Regional Solidarity Committee.

Paolo Piopi, secretary general of the Nino Pasti International Fund for Peace and Solidarity Among Peoples, said he would actively strive for the formation of the European Regional Solidarity Committee for support to reunification of the Korean peninsula and for the repeal of "NSL" in South Korea and called upon political parties and organisations of different countries to take an active part in the signature campaign supporting the struggle of the South Korean people for the repeal of the "NSL".

Miroslav Stefan, general secretary of the C.C. [Central Committee], the Czechoslovak Party of Communists, expressed support to the proposal for the formation of the committee, stressing the signing of a peace agreement between the DPRK and the U.S. will be an important method for peace on the Korean peninsula.

The council adopted a resolution on the formation of the European Regional Solidarity Committee for defending the rights and interests of the South Korean people as well as a resolution of the Council on the Method of the International Solidarity Movement for Supporting Reunification of the Korean Peninsula and Demanding the Repeal of the "NSL" in South Korea.

The council entrusted the general secretary of the Movement for Peace and Socialism of Italy and the chairman of the Nino Pasti International Fund for Peace and Solidarity Among Peoples with the formation of the executive body and branches of the European Regional Committee for Supporting Reunification of the Korean Peninsula and Demanding the Repeal of the "NSL" in South Korea.

The participants in the council signed the signature paper supporting the struggle of the South Korean people for the repeal of the "NSL".

#### **DPRK: Kim Yong-sun Meets With CNN Senior Vice President 26 Feb**

*SK2602094796 Pyongyang KCNA in English  
0939 GMT 26 Feb 96*

[FBIS Transcribed Text] Pyongyang, February 26 (KCNA) — Kim Yong-sun, secretary of the Workers' Party of Korea Central Committee and chairman of the Korean Asia-Pacific Peace Committee, had a friendly conversation with Senior Vice-President Eason Jordan of the CNN International, USA, and his companion, at the Mansudae Assembly Hall today.

An official concerned was present at the conversation.

#### **DPRK: Kim Chong-il Receives Gift From CNN Senior Vice President**

*SK2602104896 Pyongyang KCNA in English  
1044 GMT 26 Feb 96*

[FBIS Transcribed Text] Pyongyang, February 26 (KCNA) — A gift was presented to the great leader Comrade Kim Chong-il by the senior vice-president of the CNN International, USA, and his companion.

It was handed to Kim Yong-sun, secretary of the Workers' Party of Korea Central Committee and chairman of the Korean Asia-Pacific Peace Committee, by the visiting Senior Vice-President Eason Jordan today.

#### **DPRK: ROK Theologian Views Kim Chong-il as 'God Upon Earth'**

*SK2702090496 Pyongyang KCNA in English  
0825 GMT 27 Feb 96*

["Leader Kim Chong-il Is God Upon Earth" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 27 (KCNA) — Prof. Song Hae-chin, a popular theologian of South Korea, published an article headlined "The Leader Kim Chong-il Is God Upon Earth," the Seoul-based Radio Voice of National Salvation reported.

The great appearance of the North, which is drawing the attention of the world as the target of praise and envy of world people, stems from the extraordinary political qualities and virtues of the leader Kim Chong-il, peerless in the world, the writer said, adding:

In this peerlessly great man, I have seen the image of the sun.

The North is under politics based on love for and trust in the people. It is none other than Kim Chong-il who formulated it as the supreme value of the state policy of the North.

His politics based on love for and trust in the people stems from his outlook on the people, an outlook which is absolute, unconditional, unlimited and immovable.

This outlook is based on, and consistent with, his worship and respect for the people. And his politics based on love for and trust in them is unprecedented in history and holds the highest place in political ideology, political philosophy.

I feel an urge to preach to the people longing for the gospel of a worthy life in this world: The gospel is precisely the philosophy of love and trust of Kim Chong-il. This evangelist for the people is our god.

People want to live in a paradise which actually exists.



The North is precisely the paradise. President Kim Il-song and the leader Kim Chong-il built it.

The people in the North regard it as their due obligation to devote their sweat and blood to the common interests of society and sacrifice themselves for the sake of others, and they are proud of this. It is their outlook on life and a mode of life predominant in the society of the North.

This marvelous reality and social ethos are a precious exploit performed by Kim Chong-il, the supreme incarnation of love and trust.

As the North is a paradise on earth and the people of the North are subjects and masters of this paradise, god is in the North and the god upon earth is Kim Chong-il, who has built this earthly paradise.

The more I feel his greatness, the more deeply I am convinced that he is the saviour who defends and looks after the destiny of humanity, the popular masses.

He always thinks of the people.

He regards humanity, the people, as the most valuable.

Since the appearance of human beings there has never been such a true, ideal society for the people as the North guided by Kim Chong-il, who ardently loves the people and bestows deep benevolence upon all of them.

He is a great master of politics unprecedented in world history, who has opened a phase of respecting human beings and treasuring the people, a marvelous thing which any era and nation could not experience, and established a perfect government of love for humanity and salvation of people, which the people will hand down to posterity.

His heart is so great that it embraces all people regardless of skin color, ideology and political view as well as nationality.

If you want to worship god, worship Kim Chong-il.

If you want to see an earthly paradise, go to the North.

This is what I regard as my motto after being charmed by Kim Chong-il and what I want to tell all the people in the South.

#### **DPRK: History of Use of Guns in Revolution Reviewed**

SK2602084996 *Pyongyang KCNA in English*  
0843 GMT 26 Feb 96

[FBIS Transcribed Text] Pyongyang, February 26 (KCNA) — Many significant stories about guns are recorded in the annals of the Korean revolution.

The great leader President Kim Il-song took over two pistols from his father as a heritage when he embarked upon the road of the revolution in his early years.

With them, he expanded the armed ranks, led the anti-Japanese war to victory and accomplished the historical cause of national restoration (August 1945).

After the country was liberated, he awarded submachine guns made by the Korean working class to officials, saying that they must firmly defend the country with arms.

In June 1951 when the Fatherland Liberation War was at its height, he gave Heroes of the Republic and model combatants submachine guns bearing words "Annihilate the U.S. Imperialist Aggressors!" as gifts, thus encouraging them to perform greater exploits.

On April 25, 1994, the last year of his life, he conferred "Mt. Paektu" pistols inscribed with his august name to commanders of the Korean People's Army (KPA). April 25 is the day of the army foundation.

He told them to remain loyal to the guidance of supreme commander Comrade Kim Chong-il and accomplish the revolutionary cause of *chuche* to the end.

The exploits of the president, who attached importance to the military affairs and led the Korean revolution to victory, have been creditably exalted by the respected General Kim Chong-il.

He received a pistol as a gift from the fatherly leader President Kim Il-song during the Fatherland Liberation War and has since strengthened and developed the Korean People's Army into revolutionary armed forces each member of which is a match for a hundred foes, bearing deep in mind the lofty intention associated with the pistol.

In February and September last year, Kim Chong-il inspected KPA units and gave soldiers automatic rifles.

These rifles contain his lofty intention to carry out the behests of President Kim Il-song and his deep trust in the People's Army.

Today, the officers and men of the People's Army defend the cause of socialism, tightly holding arms which are inherited through generations of the revolution.



**DPRK: Strengthening People's Government  
'Guarantee' of Socialism***962C0017B Pyongyang MINJU CHOSON in Korean  
21 Dec 95 p 2*

[Article by Yun Chun-sop: "Strengthening the People's Government Is a Sure Guarantee for the Consolidation and Development of the Socialist System"]

[FBIS Translated Text] Our people's government is a powerful political weapon for revolution and construction aimed at consolidating and developing the socialist system and achieving the ultimate victory of socialism. It is therefore imperative to strengthen the people's government in every possible way in order to protect and safeguard our way of socialism and fulfill the cause of self-reliance of the masses of people.

The great leader [yongdoja] Comrade Kim Chong-il pointed out as follows: "Strengthening the people's government is precisely the way to protect and safeguard as well as consolidate and develop the socialist system, and herein—in strengthening the people's government—lies a sure guarantee for advancing triumphantly the cause of self-reliance of the masses of people."

It is the most honorable and noble revolutionary duty for our party and our people to protect and safeguard our way of socialism.

Our way of socialism is a socialist system with the masses of people at its center, in which the masses of people are the masters of all things and in which everything is in their service. All the people enjoy the worthiest and happiest lives in all fields, political, economic, cultural, under the socialist system as the true masters of the state and society. Aside from socialism there can be no happiness of our people today, nor the hopes of the future for them. For the masses of people, our mass-centered socialist system is nothing other than living and life itself.

Regarding our country—which is unfalteringly moving forward holding high the banner of socialism, even under the circumstances in which socialism has collapsed in a number of countries—as a thorn in their flesh, the imperialists and reactionaries have recently been stepping up their anti-socialist, anti-DPRK machinations more viciously than ever in an attempt to isolate and obliterate our way of socialism.

To protect and safeguard our way of socialism against the counterrevolutionary offensive of the imperialists and reactionaries and glorify it is a matter of vital importance involving the prospects of socialism and the future of humanity as well as the fate of our people and the outcome of our revolution.

Strengthening the people's government constitutes a sure guarantee for the protection and safeguard as well as for the consolidation and development of the socialist system because only by strengthening the people's government is it possible to attain a harmonious development of society in its all domains in a way consistent with the requirements for social development.

Society has many facet of life, such as political, economic, cultural. Various facets of social life become increasing rich and diverse as society develops and as the people's demands in daily living and their aspiration for self-reliance grow.

The enriching process of life in its all aspects is none other than the process of harmonious social development; and social life at a high stage of development demands a higher level of organization for the activities of the members of society than when it is at a low stage of development.

Even in a socialist society in which the masses of people have become the masters of the state sovereignty and all means of production, its members cannot automatically attain unity and cooperative relations among themselves, nor can the society automatically attain harmonious development in every aspect of social life and in every region of the country.

The harmonious development of socialist society can be attained only through the activities of the people's government. The socialist government is a new form of state political organ with the mission of unitarily controlling the activities of the self-dependent and creative activities of the masses and all aspects of social life. When society is well organized with all its domains developing harmoniously under the unitary leadership of the socialist government, the people will be better assured of their political standing and rights and realize an independent stand and attitude on a more extensive scale while socialist construction proceeds faster. Accordingly, for the protection and safeguard as well as for the consolidation and development of the socialist system, it is essential to strengthen the socialist government and constantly improve its functions and roles in keeping with the acceleration and progress in socialist construction.

Historical experience in socialist construction shows that when there is no proper government leadership, it is impossible to achieve unity among the members of society and a harmonious development of society and organize and promote the independent and creative activities of the masses in a purposive manner, and ultimately to maintain the socialist system itself.



Another reason that strengthening the people's government constitutes a sure guarantee for the protection and safeguard as well as for the consolidation and development of the socialist system is that such strengthening makes it possible to strengthen the main body of the revolution and enhance its role.

To strengthen the main body of the revolution and enhance its role is a fundamental problem arising in the struggle to protect, safeguard, and glorify our way of socialism.

The main body of the revolution is the people directly in charge of the struggle to protect and safeguard socialism, and it is the potent driving force in the cause of socialism. The socialist system can be securely safeguarded and triumphantly advanced through the active functions and roles of the main body of the revolution. Aside from the main body of the revolution, struggle for socialism is unthinkable. This is not to say that the masses of people can automatically become the main body of the revolution and play a decisive role in the struggle for socialism and communism. Only when united around the leader in organizational and ideological terms under party leadership can the masses of people become a powerful main body of the revolution and play a decisive role in the struggle for socialism. Unless the main body of the revolution is strengthened and its role is enhanced by awakening the masses of people in political and ideological terms and uniting them organizationally, it would be impossible to build socialism and communism and give full play to the superiority of socialism and communism. In strengthening, safeguarding, consolidating, and developing the socialist system, there can be no magic way other than strengthening the main body of the revolution and enhancing its role.

The task of strengthening the main body of the revolution and enhancing its role can be accomplished when the people's government is strengthened.

The task of remodeling every member of society after communism and binding them together as a political force can be accomplished through the activities of the people's government to control and mobilize ideological-cultural and material-cultural means under party leadership.

By vigorously waging the ideological and cultural revolutions with a firm grip on all means necessary to remodel human beings, the people's government frees all members of society from the shackles of all outmoded ideologies and cultures and raises them as communist type human beings with an independent ideological consciousness and a creative ability, and binds them tightly into a political force.

The people's government also forges an inseparable revolutionary tie between the leader and all members of society and unites the leader, the party, and the masses as a politico-social living organism by establishing a most popular governing formula.

Still another reason that strengthening the people's regime constitutes a sure guarantee for the protection and safeguard as well as for the consolidation and development of the socialism is that only when the people's government is strengthened is it possible to crush the machinations of the imperialists and reactionaries and safeguard the national sovereignty and the socialist system.

The struggle to fulfill the cause of socialism is at once the formidable and creative process of liquidating all social vestiges of the past and a dire class struggle to crush the antisocialist machinations of the enemies at home and abroad.

The imperialists and reactionaries threw all kinds of obstacles in the way of socialism from the day socialism made its debut on earth. Now they are stepping up their antisocialist, anti-DPRK machinations all the more viciously by taking advantage of the collapse of socialism in many countries in recent years.

While threatening socialist countries militarily by continuing to cling to their policy of strength, the imperialists are engaged in all kinds of crafty intrigues to bring down socialist countries ideologically and culturally as well as politically and economically. At the instigation of the imperialists, the remnants of the hostile classes within socialist society are also scheming, overtly and covertly, to overthrow socialism and restore the capitalist system. This is a fierce class struggle between one class against its adversary. Under the circumstances in which the antisocialist machinations of the imperialists continue and in which subversive elements having a connection with the imperialists exist within society, it will be impossible to protect and safeguard the socialist system—the prize of the revolution won with blood—unless the antisocialist machinations of the imperialists and the hostile elements are crushed thoroughly.

All these tasks are accomplished satisfactorily through the popular democratic dictatorship of people's power.

People's power is the political weapon for the fulfillment of the cause of socialism. It has judicial, prosecutorial, security, and all other power organs under its unitary control, and by sharpening the blade of its dictatorial sword punishes the remnants of the exploiting class attempting to destroy and overthrow the socialist system as well as espionage and subversive agents infiltrating from the outside.



The people's government awakens the broad masses of people to class consciousness and actively mobilizes them in the struggle against counterrevolution, thereby preventing any class enemy from running wild at will.

Our people warmly appreciate how precious their people's government is as they enjoy a dignified and happy life in its bosom as the masters of the state and society and as they see with their own eyes and by their experience the misfortunes and tribulations being suffered by the people in those countries where socialism has collapsed because they did not have a true people's government. Our people are filled with determination to go on protecting, safeguarding, and glorifying our people's government to the end.

It behooves all functionaries and workers to strengthen our sound and dynamic people's government in every possible way and protect, safeguard under whatever condition our way of socialism with the masses of people at its center, and give fuller play to its superiority.

#### **DPRK Editorial on Implementing Revolutionary Economic Strategy**

962C0017A *Pyongyang MINJU CHOSON in Korean*  
6 Dec 95 p 1

[Editorial: "Let Us Enhance Our Way of Socialism by Thoroughly Implementing the Party's Revolutionary Economic Strategy"]

((FBIS Translated Text)) Currently the whole country is engaged in a vigorous struggle to augment the power of socialism in every possible way under the leadership of the great party, overflowing with confidence in victory and with optimism. An important task confronting our party functionaries and workers in the current rewarding struggle to bring about another upturn in socialist construction is that of implementing the party-outlined revolutionary economic strategy through and through.

The great leader [yongdoja] Comrade Kim Chong-il pointed out as follows: "Achieving a turnaround in socialist economic construction through the thoroughgoing implementation of the party-outlined revolutionary economic strategy is the most important revolutionary task confronting us today."

Today we are pushing socialist construction in the middle of an acute confrontation with the imperialists. This confrontation is at once a confrontation of political-military strength and a confrontation of economic strength. To win victory in the confrontation with the imperialists, we need to augment our national strength in every possible way by properly carrying out economic construction. In augmenting the economic strength of the country, it is of great importance to im-

palement the party's revolutionary economic strategy in a thoroughgoing manner. The party's revolutionary economic strategy is a grand blueprint for strengthening the material foundation of our way of socialism in every possible way and bringing about a new turn in socialist construction. When we firmly bolster our political, ideological, and military strength in economic and material terms by thoroughly implementing the party's revolutionary economic strategy, we will be able to successfully smash any provocative machination of the imperialists and forge our way of socialism into an impregnable bastion.

The socialist fatherland of chuche is the true foundation of life and the cradle of happiness for our people. The great leader [yongdoja] Comrade Kim Chong-il has an unshakable creed and determination to build our socialist fatherland of chuche—which shines with the revered name of the [deceased] respected and beloved leader—more brilliantly into a true people's paradise where their independent and creative lives flourish. Upholding the wishes of the deceased fatherly leader, the great leader [yongdoja] Comrade Kim Chong-il is putting his body and soul into his effort to augment the wealth, power, and prosperity of our country, our fatherland. To make the socialist fatherland of chuche more affluent and powerful in accordance with the ideas and intentions of the great commander, we need to effect an unceasing upswing in every field of socialist economic construction. When we improve the people's living and make a breakthrough in socialist economic construction, our fatherland will become a more magnificent people's paradise, a Utopia, in which the independent and creative lives of the working masses flourish.

Loftily upholding the great leader [yongdoja] Comrade Kim Chong-il's handwritten message, our people have waged a vigorous struggle for economic construction since the beginning of the year to attain a greater measure of national wealth, power, and development of their country, their fatherland. Particularly in their struggle to mark the 50th founding anniversary of the party with a high score of labor achievement, our people won a major victory.

Our party functionaries and workers must add spurs to the struggle to implement the party's revolutionary economic strategy with the same mettle and indomitable spirit with which they glorified the 50th founding anniversary of the party as a victor's celebration, so that they may attain continuing progress and upsurges in socialist economic construction.



What is most important in this connection is to have the firm belief that when we go forward upholding party leadership, we are sure to emerge victorious.

Party leadership is the lifeline in the cause of socialism and constitutes a basic guarantee for all victories. Under party leadership our people have triumphantly advanced the unprecedentedly arduous and complex Korean revolution and made epoch-making strides and achievements in every field. Today, under the sagacious leadership of the great leader [yongdoja] Comrade Kim Chong-il our people are accelerating socialist construction and making the dignity and honor of chuche Korea well known in the world while shattering the antisocialist, anti-DPRK machinations of the imperialists. Our people just brilliantly adorned the 50th founding anniversary of the KWP as a grand victor's festival, most significant in the history of our fatherland. On the heels of this celebration, all our people are vigorously accelerating their all-out advance on the road to socialism, rallied as one around the great commander. This impressive reality is a clear demonstration of the greatness of our party and the invincibility of socialism in our country.

All our functionaries and workers must have the right view of our great capabilities, our great struggle, and the formidable realities in our country from the revolutionary standpoint of chuche, and work and fight with a firm belief in sure victory and with an indomitable fighting spirit. Our functionaries and workers must devote all their wisdom and energies to the implementation of the party's economic strategy with an adamant creed and an uncommon resolve to accomplish whatever the party decides to do. They must also doggedly struggle to fulfill every task assigned to their respective sectors and units without fail.

In the implementation of the party's revolutionary economic strategy, it is also important to give full play to the revolutionary spirit of self-reliance and fortitude.

The revolutionary spirit of self-reliance and fortitude is the traditional fighting spirit of our party and our people, and the party's revolutionary economic strategy is one based on self-reliance and fortitude. With a people who practice self-reliance by carrying on their tradition of heroic fighting spirit, there is no task that cannot accomplish. Victory belongs to the people who practice self-reliance.

Bearing in mind that self-reliance is the best guarantee of victory in the implementation of the party's economic policy, all functionaries and workers must demonstrate their loyalty to the leader [yongdoja] in their practical struggle to implement the party's economic strategy with the revolutionary spirit of self-reliance and fortitude. Functionaries and workers must break through all

bottlenecks and barriers encountered in economic construction on their own by manufacturing what is not available and seek out more of what is in short supply, with the strong revolutionary spirit of doing every thing on one's own even if the higher echelons did not supply the necessities, although it would be better if the higher echelons did supply them. In the course of implementing the party's economic strategy, unexpected bottlenecks and barriers may confront them, and difficult and complex tasks may crop up. But there is nothing that they cannot accomplish, no matter how Herculean and mind-boggling the proposed tasks may be, only if they maintain their revolutionary ethos and give full play to the revolutionary spirit of self-reliance and fortitude, brimming with confidence and optimism. In the post-war period, our people rebuilt the economy on the ashes and achieved the great Chollima upswing with practically nothing. With this same mettle and indomitable spirit all functionaries and workers must break through all bottlenecks and barriers they encounter and feed the flames of the struggle for increased production and conservation.

Technical innovation is an important link in the implementation of the party's economic strategy. Only by developing science and technology and waging a vigorous mass movement for technical innovation is it possible to seek out and mobilize more reserves and accelerate production and construction and provide a more affluent and cultured life for the people.

Functionaries and workers must carry on the struggle to implement the party's technical innovation policy, from the firm standpoint that the prosecution of the technological revolution is vital to socialist economic construction.

Scientists and technical personnel must solve in time all scientific and technological problems encountered in the implementation of the party's revolutionary economic strategy, and step up creative cooperation with the producer masses. At the same time, they must wage a vigorously mass technical innovation movement so that the old production equipment and processes may be renovated completely and new technical innovation plans actively introduced.

Effecting a revolutionary turnaround in the work ethos of economic guidance functionaries is an important requirement in the implementation of the party's revolutionary economic strategy.

Economic guidance functionaries are the commanding personnel of the revolution directly in charge of production and construction, and success in economic tasks depends on their work ethos. The party's revolutionary economic strategy designed to bring about a rad-



ical turnaround in socialist economic construction can be implemented successfully only when economic guidance functionaries work in a militant and revolutionary manner, brimming with vigor and enthusiasm.

Economic guidance functionaries must correctly realize that the national economic plan is a dictate of the party and a law of the state and that success in socialist economic construction depends on how the plan is drawn up and implemented. With this realization they must demonstrate a strong sense of responsibility and a high degree of devotion in the formulation and implementation of the plan. In particular, they must establish the revolutionary ethos and discipline of implementing the national economic plan unconditionally with a correct understanding of it and carry it out daily, monthly, and quarterly by the indicators.

Improving business management and actively seeking out and mobilizing inner reserves is the work ethos that our functionaries must have. Economic guidance functionaries must exert themselves all the harder when the given condition is adverse, so that they may remove the obstacles in a revolutionary manner, manage enterprises in a planned and organized manner, and manage the economy in a frugal manner.

The first thing the producer masses would do when they encounter a new, enormous task in production and construction is watching the faces of the guidance functionaries to look for guidance. Therefore, like the commanding officers of the anti-Japanese guerrilla units who were the first to cross the death-line and cut their way through the enemy's ranks, the functionaries of all state economic organizations must strive to actively lead the masses in the struggle for the implementation of the party's economic strategy by setting examples.

Holding the red flag of revolution higher still, all functionaries and workers must strive to add luster to our way of socialism and brilliantly adorn this significant year with a heroic struggle and great victory, by thoroughly implementing the party's revolutionary economic strategy, brimming with confidence in victory and with optimism in the cause of socialism.

#### **DPRK: Farming Preparations Required for Next Year's Harvest**

962C0016B Pyongyang MINJU CHOSON in Korean  
5 Dec 95 p3

[By Song Ui-chong, Vice Chairman of the DPRK Agricultural Committee: "Immediate Tasks in the Farming Preparations for Next Year"]

[FBIS Translated Text] The rural economy is faced with the task to wind up successfully the farming for this

year, a year of great significance, and to prepare well for next year's farming in advance.

The great leader [yongdoja] Comrade Kim Chong-il pointed out as follows:

**"In farming, to make good preparations is an important work with a deciding influence on the result of the next year's farming."**

Farming preparations constitute the starting point and most basic part of a year's farming. In all work, results mostly depend on preparations made; likewise, in agriculture too, making farming solid preparations is the first requirement for a good harvest.

Currently, all the branches of the people's economy are stirring new upsurges in production and construction, cherishing the pride of having added luster to the 50th anniversary of the founding of the party with a grand festival of victors. When we make preparations for next year's farming for an epoch-making gain in agricultural production, we can win a greater victory on the agricultural front, the most important front in carrying through the party's revolutionary economic strategies.

Like all other agricultural processes, farming preparations require timeliness. Ill-timed preparations lead to irrecoverable consequences.

Therefore, in the rural economy sector, it is necessary to proceed with various work connected with farming preparations according to priorities and on a planned basis, and in timely fashion.

An immediate priority task before us is to prepare organic fertilizer sufficiently.

A basic factor ensuring a good harvest is to improve the soil fertility of fields, which in turn is guaranteed by applying organic fertilizer in sufficient quantities.

Since organic fertilizer contains most of the macro- and micro-elements that crops need, such as nitrogen, phosphorus, potassium, boron, and manganese, its importance in improving soil fertility does not diminish even when the application of chemical fertilizers increases. The effectiveness of chemical fertilizers also rises as the soil absorption of organic fertilizer increases.

The main reason that a number of farms, including the Mangyongdae District State Farm and the Tongchon Cooperative Farm in Hwangju County, reported gains in their grain output much greater than other farms, despite such unfavorable weather conditions, was that they used more high-quality organic fertilizer.

To secure enough organic fertilizer, it is necessary to set up targets for each type of fertilizer dynamically.



based on soil analysis data, past records of per-chongbo harvest, and the harvest planned for next year, compiled by field and by plot, and to focus on carrying them out.

Results of organic fertilizer production largely depend on how the resources for it are hunted and mobilized.

In rural areas, a vigorous campaign should be launched to effectively utilize farm by-products for organic fertilizer and, at the same time, search for and mobilize at mass levels various sources of organic elements—such as peat, liquid or wet fertilizer, powdery fertilizer, and humus—so as to secure within this year major portions of the organic fertilizer needed for next year.

One of the important immediate tasks in the farming preparations is to further expedite the fall plowing.

The fall plowing improves the physical and chemical soil qualities, freezing and killing weed roots during the winter. It thus plays an important role in preventing crop damage by blight and noxious insects. As practical experience shows, if the fall plowing is done well, it alone generates a 5 percent gain in yield.

Because of the seasonal limitation, time is running short for the fall plowing. In rural areas, therefore, it is necessary to increase the tractor operation rates and, at the same time, widely utilize various means of plowing suitable to specific local conditions to speed up the plowing drastically.

Priority of the fall plowing in the remaining period should be given to highland fields and reddish clay-type fields, as well as to plots earmarked for rice seedling beds. Because of their physical soil nature, failure to put these fields to the fall plowing would result in clods of earth refusing to break up even after the spring plowing next year, causing serious difficulties for sowing and to the early growth of crops. The fall plowing, therefore, should be expedited with the focus on highland fields, reddish clay-type fields, and plots for rice seedling beds.

In the preparations for next year's farming, due attention should be paid to securing the required water.

The improved agricultural irrigation networks completed under the sagacious party leadership has created incomparably abundant water sources in our country.

We should take advantage of this favorable condition and secure sufficient water in advance. Only by doing so can we protect our farming from drought even if abnormal meteorological phenomena should persist, bringing a drought spell in the spring. In our country, it can be said that irrigation water is electricity itself. Water resources are abundant indeed but we need electricity for pumping water for use in agricultural production. For this reason, sufficient water secured in

advance will contribute to the more smooth supply of electricity for agricultural water pumping in the spring.

Farms must conduct a survey of reservoirs, seeing to it that water keeps running into them. Ditches must be made and all other available methods used to intercept flows of water and leading them into storage pools. It is also necessary to secure water for paddy fields in preparation for rice transplanting.

Work that can be done in advance, such as the preparations for cold-frame rice seedling beds and corn seedling humus pots, the repair and maintenance of farm machines and small- and medium-size implements, and the securing of seeds, should be completed as much beforehand as possible. Only by doing so can we forestall manpower problems in the farming season next year and press ahead with various complex processes in timely fashion.

To accomplish the immediate major tasks in the farming preparations in timely, substantive fashion, it is required to enhance the role and responsibility of functionaries in the rural economy sector.

Functionaries in this sector, upholding the intent of the party in giving priority to political work over all other work, must launch as the first process the ideological mobilization work to bring home to agricultural workers the importance and significance of making preparations effectively for next year's farming. And by doing so, they will ensure that all agricultural workers are aware of their basic duty as the masters responsible for the nation's rice jar, and that they make their farming preparations effectively and in consistency with the requirements of the chuche farming method. In doing so, they will be firmly determined to devote all their loyalty and filial piety to the great leader [yongdoja] Comrade Kim Chong-il — as the late Fatherly Leader taught them to — by increasing agricultural production ceaselessly, and to contribute to the carrying through of the party's revolutionary economic strategies and to further demonstrating the genuine superiority of our nation's socialism centering on the masses of people. Functionaries, as required by the anti-Japanese guerrilla-type work style, should personally tour places where farming preparations are under way, arousing the masses to innovation and leading them with personal example they set. And they should bring into full play the revolutionary spirit of solving any problems in the farming preparations on their own, by relying on the masses in the revolutionary spirit of self-reliance and fortitude.

The reality that we have to make preparations for next year's farming in advance demands that functionar-



ies plan and coordinate economic organizational work closely.

Functionaries in the rural economy, first of all, should concentrate manpower on farming preparations without dispersing it.

In this respect, it is important to bring this year's farming to a conclusion quickly.

Functionaries in the rural economy branch should take steps to expedite the threshing, which is yet to be completed, and the work to determine the cash and in-kind income, examine and verify the numbers of working days, and the reevaluation process, so that they can sum up this year's farming promptly and at high levels. Thus, they will ensure that more manpower, machines and implements are assigned to farming preparations while measures are also taken to disseminate experiences in this year's farming to ward off any shortcomings next year.

Functionaries must conduct technical guidance in a substantive manner to ensure that farming preparations are made to meet the requirements of the *chuche* farming method.

The county cooperative farm management committee and other agricultural guidance organs should correctly set up technical guidance plans relating to farming preparations and carry them out one by one in a way showing its merit.

One of the effective ways to that end is to organize and hold well-prepared workshops.

Agricultural guidance organs should hold workshops on the basis of each process in the farming preparations, and on provincial, city, county and farm levels. Thus, functionaries in the rural economy branch and agricultural workers will master more deeply the requirements of the *chuche* farming method in their farming preparations not only in terms of principle but through demonstration as well, and apply them masterfully in a way suitable to specific conditions of their units.

It is by no means an easy thing to effectively prepare for next year's farming way in advance, but we certainly can do it because we have with us the sagacious leadership of the party and our agricultural workers in high spirits, who are firmly defending the nation's agricultural front.

All in the rural economy branch will accelerate the farming preparations for next year vigorously with heightened confidence and, by doing so, consolidate our position from which to launch an offensive for a greater victory on the agricultural front.

## **DPRK Recalls Representative in Macau in Wake of Defections**

*OW2402132596 Hong Kong EASTERN EXPRESS in English 24-25 Feb p3*

[FBIS Transcribed Text] North Korea's de facto diplomatic representative in Macau has been recalled to the communist regime's capital, Pyongyang, in the wake of a spate of embarrassing high-level defections.

An Chin-u, the managing director of the state owned Chokwang Import and Export Company in Macau, has returned to Pyongyang, staff at the company reported yesterday.

An is the North Korean government's top official in the Portuguese enclave and is responsible for the interests of his approximately 200 compatriots living in Macau as well as at least 1,500 more in neighbouring Guangdong province.

A senior Chokwang staff member, who would only be identified as "Mr Kim", denied An's recall was linked to concerns about defections, saying he was in Pyongyang "for business purposes".

Kim refused to say if or when An would return to Macau and denied that his boss, or the company, were linked to the North Korean government.

However, the North Korean travel office in Macau, which is responsible for handling visa and travel arrangements for Hong Kong, Macau and southern China insists it answers to Chokwang and An has previously spoken on behalf of his government.

South Korean observers have reported that sons of high-ranking North Korean Communist Party officials working abroad had been ordered home following the recent defections from North Korean embassies and de facto diplomatic offices.

In November, Hong Kong granted temporary asylum to three North Korean men — Nam Su, 32, Hwang Chin-hui, 25, and Yi Song-hyon, 39 — after secretly holding the trio and another North Korean in Victoria Prison for nine months.

The four entered Hong Kong as illegal immigrants but one of the men was freed before his companions were given asylum and his whereabouts are unknown.

An, as Pyongyang's local representative, said at the time: "I have been in Macau for a long time and never been allowed into Hong Kong."

"How could these men have gone to Hong Kong?"

Surveillance over children of the elite has also been heightened in the aftermath of other recent defections.



according to the South Korean daily newspaper KUNG-MIN ILBO.

Last month, Hyon Song-il, 36, the third secretary of the North's embassy in Zambia, defected. His wife and a North Korean intelligence agent at the embassy had defected two weeks earlier.

Hyon's father was believed to be the provincial chapter head of the North's Communist Workers Party at the time of the defection. The elder Hyon is believed to have been purged as punishment for his son's defection.

Two other recent defectors were also children of high-ranking party officials.

Previous South Korean reports have said that the North's elite were sending their children abroad in case of political upheaval in their country.

#### **DPRK Guidelines for Production of Revolutionary Movies Reviewed**

SK2602090596 *Pyongyang KCNA in English*  
0852 GMT 26 Feb 96

["Guideline for New Turn in Creation of Revolutionary Movies" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, February 26 (KCNA) — NODONG SINMUN today dedicates an article to the 30th anniversary of the publication of "Let Us Make New Advances in the Production of Revolutionary Movies" (Feb. 26, 1966), a historic work of the great leader Comrade Kim Chong-il.

Comrade Kim Chong-il in the work underscored the need to make new advances in the production of revolutionary movies in conformity with the demands of the times and realities.

To create the image of the leader is an inevitable requirement emanating from the mission of the chuche-based literature and art, the article notes.

The work says that the creators and artistes in moviedom should satisfactorily cater to the demand of the times and the unanimous desire of the popular masses for making an in-depth portrayal of the leader, by pouring incessant quest and mental and physical energy.

Comrade Kim Chong-il in the work clarified down-to-earth matters — the matter of making an in-depth content, not inclining to the form in creating movies, the matter of picturing in depth the process of the formation of the hero's revolutionary world outlook in movies, the matter of effecting perfect harmony in improving both the politico-ideological and artistic qualities of the work at a high level and the matter of giving definite

precedence to the writing of scenarios ahead of film production.

A great many revolutionary movies have been produced over the past 30 years since the work was published.

Among them are serials of the feature films "Star of Korea" and "The Sun of the Nation," which show the glorious and brilliant revolutionary history, undying feats and noble virtues of the great leader President Kim Il-song.

Serials of the multi-part feature film "The Nation and Destiny", a world-famous masterpiece, are produced continuously.

#### **South Korea**

#### **ROK: U.S. CIA, State Department Views on DPRK Show 'Confusion'**

SK2502123496 *Seoul KYONGHYANG SINMUN*  
in Korean 24 Feb 96 p 3

[Article by Washington correspondent Pak In-kyu: "Why Are the Assessments of North Korea by the U.S. State Department and the CIA Different?"]

[FBIS Translated Text] Is North Korea's collapse imminent?

Contrary to the Clinton administration's official position, CIA Director John Deutsch stated on 22 February, Washington time, that "the possibility is quite high the North Korean regime will collapse." This has attracted attention because Deutsch's assessment is the most pessimistic among the various assessments of the Clinton administration.

Director Deutsch's assessment on the North Korean situation can be summarized as follows: First, the North Korean economy is sinking to an irreversible low; second, the continuously worsening political and economic situation will most likely cause the collapse of the North Korean economy; and third, North Korea's ever-growing instability and uncertainty may lead it to launch a provocation.

This assessment by Director Deutsch is very different from the view the U.S. Government has so far expressed through the State Department.

A State Department official in charge of Korean peninsula affairs recently said the North Korean situation is stable, basing this on the grounds that there is no significant challenge to the North Korean political leadership led by Kim Chong-il, that its military movements are normal, and that there are no signs the North Korean society is failing to overcome such difficulties as food shortages.



We can say the two agencies possess different views because their functions are different.

The CIA, which is in charge of gathering information related to national security, has no choice but to assess information based on the worst case scenario.

On the other hand, the State Department, which directly negotiates with foreign countries, seldom reveals facts or opinions fatal to the countries it is dealing with. In particular, the State Department, which has sought to freeze North Korea's nuclear program, is not in a position to openly talk about the possibility of North Korea's collapse before it becomes inevitable.

Still, we must pay attention to the fact that the State Department and the CIA have different assessments on whether North Korea will be able to overcome its economic difficulties.

We can determine which side possesses the correct information by watching what policy direction the United States takes.

In order to ensure North Korea's soft landing, and not its collapse, toward the end of January the White House reportedly examined the possibility of providing assistance to North Korea by relaxing the sanctions against the North.

Those remarks by Deutsch can be viewed as a challenge by the hard-liners to the moderates within the U.S. administration. In particular, Deutsch has sought to develop a theater missile defense (TMD) system along with Japan, and for this reason, we must pay attention to the fact that he stressed the possibility North Korea may unleash a limited provocation. Thus, the remarks by Deutsch forecast confusion in the U.S. policy toward North Korea.

#### **ROK: Transfer of AFKN From VHF to UHF Nears Completion**

*SK2702015996 Seoul YONHAP in English  
0041 GMT 27 Feb 96*

[FBIS Transcribed Text] Seoul, Feb. 27 (YONHAP) — Preparations to transfer the American Forces Korea Network (AFKN) from VHF channel 2 to UHF channel 34 are nearly complete, the United States Forces Korea said Tuesday.

Beginning about March 8, AFKN will be broadcast simultaneously on channels 2 and 34, with channel 2 scheduled to be turned off around April 30, said Ira Wheeler, a USFK communications-electronics officer in charge of the conversion.

The change was agreed upon by the USFK and the Ministry of Information and Communications in 1990, and

was originally to have taken place in 1992. Technical problems and other related matters, however, delayed the process, particularly the issue of stereo reception during television broadcasts.

"They (technical and other problems) have all been successfully resolved, and we can expect to make the switchover about May 1," Wheeler said.

#### **ROK: Former Wife of Kim Chong-il Reported 'Likely' in U.S.**

*SK2502082896 Seoul MUNHWA ILBO in Korean  
24 Feb 96 p 1*

[Report by Om Chu-yop and Chon Yong-sik]

[FBIS Translated Text] On 23 February, Yi Han-yong, 36, the nephew of Song Hye-rim, the former wife of North Korean leader Kim Chong-il, said that Song Hye-rim and those accompanying her, all of who disappeared to a third country while residing in Moscow, are very likely in the United States at present. Yi added he understands the ROK government, in consultation with the United States, will probably announce this in early March.

Yi said that in their search for Song Hye-rim and the others, the North Korean authorities have issued a general mobilization order to North Korean diplomatic missions not only in Europe but also in Africa. He added the North Korean authorities requested assistance from the Mafia in Europe in a desperate attempt to capture Song and the others, and thus he is greatly concerned about their personal security.

Yi, the only son of Song Hye-rang, Song Hye-rim's elder sister, who himself defected to the ROK in 1982, was interviewed by MUNHWA ILBO at a hotel in Seoul on 23 February. He stated: "From the beginning, my mother and her sister (Song Hye-rim) did not consider coming to the ROK, but wanted to go to a third country. Judging from the international telephone conversations I had on some 20 occasions, and judging from the various situational developments, my mother and her companions should be in the United States by now."

Yi stated: "The United States is the only country little influenced by North Korea. The United States is safe from the various threats to its security by North Korean terrorism. However, the North Korean authorities do not seem to realize this."

Yi also said: "My mother and her companions virtually finished their discussions with the third country and the United States concerning their personal security before they vanished from Switzerland. My mother and her companions began these discussions around 20 January



when my sister Nam-ok, who speaks good English, returned from a trip to North Korea."

Yi added: "The most crucial problem is their 'perfect personal security,' and the announcement is being delayed because of it. I understand the ROK government will disclose their final place of residence in early March."

In the meantime, Yi said there is another secret overseas mission for North Korea's "royal family" in Vienna, which is in addition to the villa in Switzerland that has recently been unveiled.

**ROK: Defector Says KPA Under 'Complete Control' of Kim Chong-il**

SK2702102196 Seoul SEOUL SINMUN in Korean  
26 Feb 96 p 20

[Article by Chang Su-kun, research member of the SEOUL SINMUN's Institute of International Strategies]

[FBIS Summary] It has been learned that "the North Korean Army, the Korean People's Army or KPA, is under Kim Chong-il's complete control and that the North Korean Army can neither object to state policies nor express views that differ from them." According to North Korean defectors, no policies in North Korea can be implemented without Kim Chong-il's final approval. Those who express displeasure with such a system and mechanism cannot survive in North Korea.

The following are "new facts" on North Korea revealed by former North Korean Army Colonel [equivalent to the ROK Army's Lieutenant Colonel] Choe Chu-hwal in an interview with SEOUL SINMUN on 17 February. Colonel Choe defected to the ROK in October 1995.

**No Policies Can Be Implemented Without Kim Chong-il's Final Approval**

The External Affairs Bureau [taeoesaop kuk] under the General Staff of the Ministry of People's Armed Forces receives more than 160 "signed directives" on its affairs from Kim Chong-il each year on average. For instance, if the bureau invites a Russian military delegation to visit the DPRK it should get Kim Chong-il's signature on scores of documents, including the list of names of the persons to be invited and the detailed itinerary of the delegation in North Korea.

In 1986 So Yun-sok, member of the Political Bureau of the Central Committee of the Workers Party of Korea, responsible secretary of South Pyongan Provincial Party Committee, and chairman of South Pyongan Provincial People's Committee, mapped out a plan to mobilize students in Pyongyang into a movement to gather wild rocamboles in an effort to supply supplementary

foodstuffs. Given the contents of the plan, he could make a final decision. However, he could implement the plan only after Kim Chong-il signed on to the plan.

Last month, in connection with its flood damage, North Korea made an announcement that it would not receive foreign aid any more, claiming that "the North Korean Army opposed it."

Regarding such a change in North Korea's attitude, Western countries analyze that "in the power games between the hawks represented by the North Korean Army and the doves represented by the Ministry of Foreign Affairs, the latter is being driven into a corner." However, the former North Korean Army Colonel Choe Chu-hwal says the announcement was nothing but a "tactical gesture." He says that "the announcement must have been made at Kim Chong-il's directive, as the North Korean Army is not in a position to intervene in state affairs."

**The Ministry of People's Armed Forces Is Controlled by the 13th Section of the Organization Department of the Party Central Committee**

"The Ministry of People's Armed Forces is a strong ministry which commands and controls over one million strong of the People's Army under the Korean National Defense Commission." In particular, the rank of general officers of the Army who participated in various functions in North Korea following Kim Il-song's death was frequently seen being given prominence over party secretaries. From this phenomenon observers speculated that the North Korean Army's position had been rapidly upgraded.

However, it has been revealed that above the Ministry of People's Armed Forces is the organization called the 13th Section of the Organization Department of the Party Central Committee. In other words, the 13th section guides and supervises all activities of the ministry. This section has strong influence although it is a low section in the Party Central Committee.

**Every Act of General Officers Is Closely Watched and Checked**

An organized military resistance or mutiny cannot be expected in North Korea today. This is because every act of commanders in the North Korean Army is so closely watched and checked that they cannot rally any force for resistance.

In particular, in the case of general officers of the rank of major general [equivalent to brigadier general in the ROK Army] and above, for instance, their everyday activities are closely watched by and recorded by the Operations Bureau of the General Staff under the



Ministry of People's Armed Forces. Hence, their every action and every movement are closely observed.

The "four major surveillance and control devices" for the surveillance of North Korean general officers are as follows:

1. The party organization channel: "The Party Life Guidance Section under the Organization Department of the General Political Bureau under the Ministry of People's Armed Forces is responsible for the surveillance of general officers." This section submits directly to Kim Chong-il once every six months an analysis report on general officers' routine life.
2. The party report channel: "The Information Section [tongbogwa] under the Organization Department of the General Political Bureau under the Ministry of People's Armed Forces is responsible for the surveillance of general officers." This section submits "objective materials" on general officers' routine activities collected through this channel directly to Kim Chong-il on a regular basis.
3. The shadowing report by the Political Security Bureau of the People's Army: This report includes "the ideological trends of general officers, their friendships, and their daily activities." This report is also submitted to Kim Chong-il.
4. The action diary of the Operations Bureau of the General Staff of the Ministry of People's Armed Forces: The action diary includes detailed daily activities of all general officers.

Such being the situation, it is almost impossible for North Korean general officers to avert these surveillance nets.

#### **Real Power in the Military Has Nothing To Do With Ranks and Positions**

There have been many different views at home and abroad on who the real power holders are in the North Korean Army. However, in the North Korean Army those whose ranks are high are not necessarily real power holders. In a nutshell, the degree of one's intimate relations with Kim Chong-il cannot be judged by one's rank or position but by the following factors: 1) How luxurious are the car and house one has received from Kim Chong-il and 2) how often has Kim Chong-il visited one's house.

If Kim Chong-il often visits a person's house and holds conversations with him there on military personnel affairs, he can be said to be a confidant of Kim Chong-il and a real power holder.

Mr. Choe Chu-hwal states: "Vice Marshal Kim Kwang-chin, the first vice minister of the Ministry of People's

Armed Forces; Vice Marshal Kim Yong-chun, chief of the General Staff of the Korean People's Army; Vice Marshal Cho Myong-nok, director of the General Political Bureau of the Ministry of People's Armed Forces; Colonel General Pak Chae-kyong, deputy director of the General Bureau of the Ministry of People's Armed Forces; Major General Han Tong-kun, director of the Propaganda Department of the General Political Bureau in the Ministry of People's Armed Forces; General Won Ung-hui, director of the Security Bureau of the Ministry of People's Armed Forces; General Kim Myong-kuk, director of the Operations Bureau of the General Staff of the People's Army; and General Chang Song-u, commander of the Third Corps, are true power holders under Kim Chong-il."

#### **The Secretary's Office [pisocho] of the Party Committee of the People's Army Decides All Military Policies**

The character of the North Korean Army finds expression in the fact that it is "the Armed Forces of the Workers Party of Korea." Accordingly, all military policies related to the People's Army are decided in the Secretary's Office of the Party Committee of the People's Army. The Secretary's Office is composed of five people — namely, the minister of the Ministry of People's Armed Forces, the director of the General Political Bureau of the Ministry of People's Armed Forces, the director of the Security Bureau of the Ministry of People's Armed Forces, the chief of General Staff of the People's Army, and the director of the Operations Bureau of the General Staff of the People's Army.

The chairman of the Secretary's Office is the director of the General Political Bureau of the Ministry of People's Armed Forces, not the minister of the Ministry of People's Armed Forces. The Secretary's Office adopts a system of unanimous agreement in deciding military policies. Only when all members of the Secretary's Office reach unanimous agreement on a military policy can they then report it to Kim Chong-il for approval.

The minister of the Ministry of People's Armed Forces is higher than the director of the General Political Bureau of the Ministry of People's Armed Forces in terms of grade. However, "he cannot directly report to Kim Chong-il by himself because the power of the director of the General Political Bureau is so much stronger within the People's Army."



**ROK: Japan Demands Greater Slice of  
Light-Water Reactor Contract**

SK2402022396 (Internet) *The Digital Chosun Ilbo*  
WWW in English 1221 GMT 23 Feb 96

[FBIS Transcribed Text] According to a Korean Government official Friday, Japan has requested that it be given a precise specification of its sphere of participation in relation to the various contracting stages of the KEDO agreement to supply North Korea with a light-water reactor, the major envisaged contracting party to which is Korea Electric Power Corporation "KEPCO". Japan, by demanding to be apprised of its share of contractual participation in advance of the actual contracting stage, is in effect demanding a greater slice of the contract itself. Currently only a provisional contract for the supply of the reactor is in place.

As a result of Japan's demands, the award of the main contract by KEDO to KEPCO and, accordingly, KEPCO's acquisition of a contract site, scheduled to take place by July, are likely to be delayed.

The difficulty is that if Japan's request is ignored then, since contracts awarded by KEDO require the unanimous consent of KEDO's three executive administering countries, the US, Japan and South Korea, Japan may veto the award of the main contract to KEPCO.

It is known that Japan has conveyed its intention to participate as the manufacturer of the central parts of the reactor's system facilities, including turbines and generators. A government official said Japan claims that its National Assembly will not consent to the provision of Japan's contemplated \$US1 billion contribution in circumstances where its contracting role is confined to carrying out the civil engineering aspect of construction of the reactor and other merely peripheral roles. Korea's position, he said, however, is that KEPCO cannot concede to Japan the provision of the generators and turbines, the most symbolic aspects of the reactor.

**ROK: Japan Sounds Out DPRK's Intentions To  
Resume Negotiations**

SK2402070196 Seoul CHUNGANG ILBO in Korean  
24 Feb 96 p 1

[Report by Beijing-based correspondent Mun Il-kyon]

[FBIS Translated Text] It has been learned that Japan has thoroughly sounded out North Korea's intention to resume negotiations to establish North Korean-Japanese relations through Hajime Fukada, director of the Organization Department of the Japan Social Democratic Party, who visited North Korea recently. A Western diplomatic source in Beijing on 23 February said, "Fukada, director of the Organization Department, visited North

Korea from 17 to 20 February and met Kim Yong-sun, secretary of the North Korean Workers' Party; and Yi Chong-hyok, vice chairman of the Asia-Pacific Peace Committee, and intensively discussed the issue of resuming negotiations for the establishment of North Korean-Japanese diplomatic relations. Although it appeared as though Director Fukada's visit was private, he in fact represented the Japanese Government and sounded North Korea's intention to resume the negotiations for the establishment of diplomatic relations."

The source said Director Fukada, in his talks with Kim Yong-sun in particular, conveyed to him the Japanese Government's position of looking forward to the resumption of negotiation for the establishment of diplomatic relations between the two countries as soon as possible, stating that the Japanese Government will come up with a feasible opportunity conducive to it. The source added that he understands that Fukada discussed the issue of additional rice aid to North Korea as well.

**ROK: Samsung Electronics To Invest \$630 Million  
in India**

SK2702022196 Seoul THE KOREA TIMES in English  
27 Feb 96 p 8

[FBIS Transcribed Text] Samsung Electronics will invest a total of 630 million dollars over the next 10 years to set up a massive manufacturing and distribution network through its own holding company.

In a press conference with the local media in New Delhi, Samsung Electronics chairman Kang Chin-ku said the Indian government recently approved the company's investment plan for which the application was filed last September.

Kang and more than 30 other leading Korean businessmen are currently accompanying President Kim Yong-sam on his visit to India, Singapore and Thailand, where the first Asia-Europe Meeting is to be held in early March. According to Kang, Samsung will establish the holding company, which will take the form of an integrated electronics enterprise, to deal with the production and marketing of everything from home electronic appliances to components.

Among the main products to be manufactured in India will be telecommunications systems such as switching machines and transmission equipment, and communications terminals such as facsimile, computer monitors and color picture tubes.

He reportedly told the media that 200 million dollars will come directly from Samsung, with the remaining 430 million dollars being raised through local banks and joint partnerships.



The electronics market in India has been growing at an average of 15 percent over the past several years and should reach 27 billion dollars by the year 2005, about the same size as the current Chinese market.

"We will be targeting the top three spots in the electronics market with sales of 700 million in 2000 and 1.5 billion dollars five years after that," said Kang, who heads an enterprise with a turnover that reached 21 billion dollars last year, with after-tax profits of over 3 billion dollars.

#### **ROK: NKP Strategy for Winning General Election Examined**

962C0018A Seoul CHUGAN CHOSON in Korean  
8 Feb 96 pp 14-15

[By reporter Sin Chong-nok: "Kim Yong-sam: 'Take the Capital Region' — the Big Push Gives Him a Head Start in the General Election Race for Now ... But Experts' Views Largely Negative"]

[FBIS Translated Text]

Experts say that it is by no means an easy thing for the New Korea Party (NKP) to "control the capital region" because, in the case of the capital region, it is subjected to many unforeseen variables, and because an eleventh-hour would very likely stir up abrupt change in the climate. Their point is that a bad break in the final-phase campaign can cause all the hard work to be wasted.

President Kim Yong-sam, who is also the president of the NKP, is unleashing a strong gust of wind on the general election campaign trail. He personally led the NKP off to a head start in the race, reversing the general election climate that had hardly been favorable for it, by embracing major and minor personages into the ruling party—such as Yi Hoe-chang and Pak Chan-chong, and even Hong Chun-pyo and Yi Chan-chin—one after another from inside and outside the political world. Needless to say, the moves reflects his election strategy geared to a showdown, particularly his strategy to seize control of the capital region, by embracing into the NKP younger generations who distrust establishment politicians, as well as reform-oriented personages. In terms of political ideology, it seeks to build up the support for his agenda to "right the wrongs of history" and realize "change of generation." Not stopping at it, President Kim is further straining his nerves to prevent defections of conservative forces. His "For Reform Based on Conservatism" slogan bespeaks it.

A good example is the party leadership structure he has put together, namely, the motley group consisting of the "new leaders" whom he embraced into the party,

including Yi Hoe-chang, Pak Chan-chong, and Yi Su-song, and the "existing leaders" such as Kim Yun-hwan, Yi Han-tong, Choe Hyong-u, and Kim Tok-yong. In a nutshell, he is running after two hares by mobilizing every asset available, based on the vested rights of the ruling camp, it can be said.

#### **Capital Region to Finally Decide Kim Win or Lose**

President Kim's such strategy concentrating gunfire on the capital region is based on an outlook over the electoral territorial scenes across the country. While viewing the Pusan-South Kyongsang region as promising an overwhelming victory, he sees the NKP's chances in the Honam and Chungchong as almost nil. The remaining regions are roughly the Seoul-capital region districts and the Taegu-North Kyongsang region. However, political sentiments in these districts are basically different from other regions. The Taegu-North Kyongsang region was once the cradle of the Third through Sixth Republic regimes. But the public's sentiment there has shown the most drastic change since the Kim Yong-sam government was installed. In contrast, Seoul and the capital region traditionally have strong propensity for the opposition and reformists. An election strategy focusing on one of the two regions inevitably leads to abandoning the other. But the prevailing view is that the NKP cannot win big in the Taegu-North Kyongsang region, however clever schemes it might use. Hence President Kim's decision that "the capital region holds the key to our win or lose." It is more so because the Seoul-capital region districts have 96 seats in the National Assembly or 38 percent of the total number of seats for regional districts, which is 253. It is also the battleground for the NKP and the National Congress for New Politics (NCNP) to meet in direct confrontation competing for the No. 1 party position. It can be said that one seat in this region is, in effect, equivalent to two seats in other regions.

The fact that President Kim named former Prime Minister Yi Hoe-chang, not NKP Chairman Kim Yun-hwan, to chair the party Election Committee, and former Rep. Pak Chan-chong to head the capital region committee under the Election Committee, means that he is out for a showdown in the capital region.

However, assuming that the 11 April general election is being held amid the persistent presence of regionalism, the NKP is obviously the underdog in the Seoul-capital region districts. Of the eligible voters in Seoul districts, 21.4 percent are from Honam, 15 percent from Chungchong, and 8.2 percent from Taegu and North Kyongsang. Meanwhile, those from Pusan and South Kyongsang represent only 6.1 percent. Of the rest of them, Seoul natives account for 31.07 percent.



Kyonggi 9.81 percent, and Kangwon 4.49 percent. These numbers are based on data from the 1990 census.

#### **Embracing of Yi, Pak Favorably Received for the Moment**

Based on these numbers, pollsters had first predicted that in Seoul and the capital region the NCNP will take 45-50 seats, and the NKP 35-40. Such predictions once prompted a debate on the possibility of the NKP falling to the status of a No. 2 party. The new leadership of "Yi Hoe-chang boosting the reform image and Pak Chan-chong leading the van of the anti-three-Kims campaign" is a card designed to win the support of voters in Seoul and capital region districts other than those from provinces, namely, natives of Seoul, Inchon, and Kyonggi. A cautious study being made by Chongwadae of plans to make a public disclosure of the [1992] presidential campaign funds seems to be a move to maximize the power of this card.

A Chongwadae official revealed that the core leadership of the ruling camp had first laid out plans for a series of processes—as the base of short-term strategy for the general election and of long-term strategy for the 1997 presidential race—beginning with a 5-18 special legislation [concerning the 18 May Kwangju incident], followed by the shutting out of Fifth and Sixth Republic forces, then by change of generation through the candidate endorsement process, and finally by a new reform leadership put into prominence. However, as the Fifth and Sixth Republic forces resisted the move and, in addition, dissonances hampered the special legislation effort, the leadership had to alter the course somewhat, the official said. The vote-getting power of Yi Hoe-chang and Pak Chan-chong will be concentrated on Seoul and the capital region, he added. The official was saying that the two are popular especially among voters with high academic backgrounds, white-collar workers, and younger generations.

It is also of profound significance that a majority of the Yi and Pak supporters are viewed as voters backing the Democratic Party or the uncommitted. Analysts say that in case the NKP should press its campaign toward a two-party confrontation against the NCNP, it is highly possible that those Yi and Pak supporters will come over to the side of the NKP as the campaigns draw to the final phases.

If so, will President Kim's big push for the capital region succeed? Recent opinion polls indicate that it is seen for the moment as a promising move to a certain extent. A poll conducted by HANGYORE SINMUN on 25 January, immediately after Yi Hoe-chang joined the NKP, showed 19.9 percent of the eligible voters in Seoul districts supporting the NKP and 16.8 percent

backing the NCNP, reversing the trend observed in the previous poll taken a month earlier. In the performance rate of President Kim, too, 51.8 percent of the polled rated him positively, a sharp rise from the 41.0 percent in the previous survey.

Another poll conducted by SRC Research on 22 January showed 41.1 percent of Seoul residents rating Yi Hoe-chang's action positively, against 34.2 percent rating it negatively. In the case of Pak Chan-chong too, 53.4 percent rated his action positively.

These numbers indicate that the NKP's move in embracing Yi Hoe-chang and Pak Chan-chong is having its effects on the situation to certain degrees. However, the question is: Will this trend continue in the future? Election pollsters' answers to it are mostly No.

#### **"Final-Phase Campaigns to Enhance Regionalism"**

Pak Mu-ik, Korea-Gallup director, commented that "although the rate of support for the NKP would rise temporarily but it cannot work as a long-term variable." "The campaigns will likely enhance regionalism as they draw to the final phases," he said, adding that "it appears that the ruling party hasn't learned a lesson as yet from the fact that the louder they became with their calls for an end to regionalism and for change of generation in the 27 June local elections last year, the more fuel they were adding to regionalism."

An Pu-kun, Media Research executive director, also said that "in my view, the embracing of a person or two would not basically change the situation substantially although it may have some partial effects."

In contrast, No Kyu-hyong, chairman of Research & Research (R & R) held out a favorable view of the NKP move. He said: "As regionalism remains strong, the NKP's big push is not likely to affect the situation in the capital region as a whole; however, in some of its districts where close contest is expected, it promises somewhat hopeful effects." To back up his observation, he cited the fact that in the 1992 general election, the difference between the winners and the runner-ups was less than 5 percent in 20 of the 45 Seoul districts.

The response of NKP officials is also to the effect that "you should wait and see." They say, confidently: "The capital region had been known for its strongest voter propensity for the opposition. In the history of political parties, there had never been a ruling party that was reform-oriented. But since the No Tae-u scandal was first reported, in particular, the atmosphere of the capital region has leaned further to reform forces. Nearly all of those personages whom younger-generation voters view as most reform-oriented have now joined the NKP."



But experts contend that it is by no means an easy thing for the NKP to "control the capital region." They cite as reasons the fact that in the case of the capital region, it is subjected to many unforeseen variables, and that an eleventh-hour wind would very likely stir up abrupt change in the climate." Their point is that a bad break in the final-phase campaign, after all, can cause all the hard work to be wasted. Therefore, it seems inevitable that the outcome of the battle for the capital region will not be known for sure until the campaigns reach their final phases.

#### ROK Political Situation as 11 Apr Election Date Approaches

962C0014A Seoul SINDONG-A in Korean Feb 96  
pp 218-229

[By reporter Pang Mun-sin: "Kim Yong-sam's 'Perilous Scenario': The 1996 Political Outlook Reminiscent of a Minefield"]

[FBIS Translated Text]

President Kim Yong-sam [KYS] is running after two hares—the liquidation of Fifth and Sixth Republic forces, and the stamping out of *ancien regime* politics. But the liquidation of the old-era politics is linked to destroying Kim Tae-chung [KTC] and Kim Chong-pil [KCP], with adverse effects even on the voter sentiments in their political basins—respectively the Honam and Chungchong regions. The impact has even made the liquidation campaign against the Fifth and Sixth Republic forces a steeply uphill battle. The response of KYS to all these, meanwhile, is escalating into a do-or-die showdown verging on a "gamble."

The nation has seen a political drama unfolding at a breathless speed. Each act and each scene produced its own impact powerful enough to threaten a grave turn engulfing the whole political world. Literally, it was reminiscent of an animate thing, live and stirring. The trend itself was so forceful that there seemed to be no way to control it artificially. The abrupt political turbulence that began with the No Tae-u slush fund scandal led to the imprisonment of two former presidents, to the enactment of the 5-18 Special Law [concerning the 18 May, 1980, Kwangju incident], to the renaming of the ruling Democratic Liberal Party, and a realignment drive of the ruling camp.

The political fronts is no longer a unitary setting. It has taken on complex features as seen in the KYS vs. KTC front, the reform vs. conservatism front, and in the ideological struggle within the ruling camp. Thus, the political configuration itself features high-dimensional, plural equations.

The political world, braced for the upcoming general election, remains just as breathless. Political tensions between the ruling camp and the opposition, although seemingly subdued temporarily, linger on over allegations that the government is working on an audit and inspection plan against politicians involved in scandals, which have not yet died down completely. The allegation—raised by the ruling camp—that KTC received "2 billion won plus something" remains a variable, dormant for now though, while there still is the possibility of the 1992 KYS campaign fund issue erupting into an active volcano depending on the opposition's offensive arguing that "a successful presidential election is as prosecutable [as a successful coup d'etat]."

The so-called death match between the three Kims—a game that comes to an end only when the opponent dies—is on now. The KYS camp, holding the sword by the hilt, neutralized its Fifth and Sixth Republic enemies using the 5-18 Special Law, enactment of which had originally been initiated by the opposition; furthermore, it is trying to expand its anti-*ancien regime* cause into a campaign against the two Kims of the opposition camp, KTC in particular, asserting that "KTC has outlived his political life."

Meanwhile, the KTC camp, parrying the blade of the sword, is trying to turn it back against the KYS side by demanding that KYS his own house in order. Regarding the series of showdowns in what is said to be a war with the political lives of each other on the stake, the KTC camp accepts them as a fate at least unavoidable until the 11 April general election is over, although the face-off may vary in intensity as it passes through phases.

#### Is There Any Secret Organization?

Concerns of the political world watching this unprecedentedly bloody drama can be summed up roughly into three categories: First, who are the group turning out those nuke-size trump cards one after another? Second, what are the true backgrounds of this situation, and the aims? Third, then how will the situation develop in the future?

Are those big cards based on a prepared scenario or program? And, if they are, who are behind that scenario and what are they after? These are matters of some basic curiosity.

According to Chongwadae and the New Korea Party [NKP], President Kim's dialogue with history, and his "work to right the wrongs of history" which materialized thanks to the 5-18 Special Law, are results of the president's decision, and his decision alone. In other words, they are saying that there are no such things as a separate, secret organization responsible for them.



In fact, official sources of the ruling camp dismissed as "fiction" the rumored existence of a secret delivery room for those high-level prescriptions. Pak Pom-chin, director of the NKP secretariat for the president, tersely said: "Plans for things like the 5-18 special legislation were drafted by Chongwadae secretaries for political affairs, then presented to the president for consideration a long time ago." Yun Won-chung, chief secretary for NKP Chairman Kim Yun-hwan, also said that "the alleged existence of a secret organization is nonsensical."

Thus, people in key positions in the ruling camp all emphasized that there is only official organization and "no secret organization." Many political figures remain skeptical, however. They seem to believe that there is an auxiliary organization drafting the basic lines of political management for President Kim, such as moves to take off the bridle of the three-party merger by shutting out Fifth and Sixth Republic forces, and a realignment of political forces.

Rumors also had it that the younger generations, having grown under the 6-3 schooling system, have led the trends. A group attracting special attention in this respect included Kim Hyon-chol, President Kim's second son, and Chon Pyong-min, who is close to the president, and reform-minded members of the Chongwadae staff who recently joined them. Needless to say, these were more speculations than based on facts.

Kil Sung-hum, guidance committee member of the National Congress for New Politics [NCNP], who was the first Seoul National University political science professor to hit the opposition trail, said that "the current political developments are being led by a group of four or a group of six, with President Kim following their decisions." "As a follow-up measure," he maintained, "they are pushing for a political realignment." Meanwhile, circulating within the NKP are rumors that President Kim has received a report recommending political strategies of a broad range, from political reforms such as a ruling camp realignment to an NKP successor regime.

According to those insisting that there is a secret organization, a key point of the alleged report is that "for its support base, the ruling party should not cling to the conservative strata but shift emphasis to the reform-minded younger groups. Only by so doing can it win victories both in the general election and the presidential race." In the view of these people, President Kim's political management these days seems to be, in fact, consistent with the alleged recommendation, although it could be a coincidence.

While the alleged existence of a secret organization has not been confirmed, there have been some noticeable

developments alluding to the possibility that President Kim, before making an important decision for each phase of the crisis, at least sought advice through various routes on management.

#### KYS' New Vocabulary

It was when President Kim began using the word "dialogue with history," in the maelstrom of the No Tae-u slush fund scandal, that Pak Kwan-yong, former Chongwadae secretary general and a core member of the RDP [the former KYS-led Reunification Democratic Party] faction, said: "Among the expressions President Kim frequently is using these days are new ones as far as his known vocabulary is concerned. My impression is that someone must have made a systematic input."

Meanwhile, an NKP source said that "we need to pay attention to the phenomenon that a large part of the president's vocabulary frequently used nowadays gives the impression that he is going back to his old manner of speech which he had when he took office." He cited as an example the fact that President Kim these days often uses the word "second national founding" that once caused a self-styled rightist group to take issue with his view of history. Furthermore, in mid-October, when even key Chongwadae figures were brushing off a 5-18 special legislation as an impossible thing, Rep. Kim Tok-yong said at a private gathering that "I personally believe that the prosecution erred in deciding that it has no authority to prosecute the Kwangju incident case. There is a way of dealing with that case, although I can reveal no details at this point of time." (He made the remark approximately half a month prior to President Kim's KOREA TIMES interview of 30 October in which the president touched on the Kwangju incident issue for the first time and said that he would make public his position in the future.)

What Rep. Kim Tok-yong's said was, needless to say, his personal view. But if it was based on his prior knowledge of a 5-18 special legislation plan, it is possible, at least logically, to draw an inference that Rep. Kim is linked to a secret organization.

An NKP official said that "it was around that time when I heard from others that papers concerning a resolution of the 5-18 issue, political reforms, and change of generation, were circulating in the party." Regarding the main points, he said: "I understand that those papers chiefly argued that without a resolution of the 5-18 issue, there can be no way for the RDP faction to stay in power with those defeatist sentiments among members resulting from the 27 June local elections; that they were mostly devoted to discussions on what should be done as a matter of principle. And my impression then was that



they must have been compiled not within the political sphere but by an auxiliary group outside the party, or a group having no direct interest in the political world."

This, in effect, hints at the possible existence of a group that set in motion the KYS-style breakthrough each time by constantly advising, and reporting to, the president on the legitimacy of reform and the need for uninterrupted reforms.

Noteworthy in this connection is a comment by Pak Se-il, former senior presidential secretary for policy, who is currently senior presidential secretary for social welfare. A reform advocate in Chongwadae, and a successor in that sense to Kim Chong-nam, former senior presidential secretary for education and culture, the name of Pak Se-il is frequently on the lips of gossipmongers as being one of the key figures reporting to President Kim contents of discussion by a secret organization.

Warning that he was speaking his personal view, Pak said: "The defeat in the June local elections was caused by reforms lacking thoroughness. In many cases, Chongwadae's resolve for reforms tended to be diluted in the process of being relayed to the party. A good example of it was the fate of the anti-money laundering bill, which was once touted as the most significant reform bill in the aftermath of the No Tae-u slush fund scandal but soon fizzled out. It is therefore necessary to bring in reform-minded personages into the party. A push for reforms would temporarily cause a decline in popularity; however, perseverance will gradually earn the public's understanding. If the people should reject President Kim despite the pureness of his will for reform, it only means that the nation has run out of luck. But even in that case, the only way for President Kim to leave his mark on history is to carry on reform, I believe."

Pak Se-il's logic about reform seems to be in line with what President Kim said about a ruling camp realignment.

#### Differences within the Reform Group

On 21 December, immediately after the latest cabinet reshuffle, President Kim told the newly appointed Chongwadae secretary general, Kim Kwang-il: "We must make a big change in the days ahead. Chongwadae, the cabinet, and the party should all be realigned." In other words, the president was saying that personages imbued with the *ancien regime* political practices and way of thinking should be ousted and replaced with more reform-minded figures and younger generations in order to establish a so-called new leadership group ["saeroun chuche seryok"]. He was saying that he will fundamentally break up the existing power dynamics be-

tween the factions in the NKP. A grand design like this led by the RDP faction will inevitably set off an intense political-line struggle and a scramble for power within the ruling party over the question "what is the guiding ideology of the party?" Such problems are likely to surface in the process of party endorsements for candidates and the subsequent campaigns.

"Reshuffle" and "change of generation" are the main internal brake the NKP has been using since the outset of this year, with the general election in mind. Intimidated, some senior leaders are retiring from politics even before the curtain rises on the 15th general election. Among them are Reps. Hwang In-song, Chong Sun-tok, Yi Sung-yun, Nam Chae-hui, and Kim Hyo-yong. However, as an interfactional war of nerves heats up over the candidate endorsement issue, or as those targeted for ousting in the reshuffle intensify their resistance, the new wind of realignment can backfire and turn into a foul wind to the ruling camp. In nature, therefore, a ruling camp realignment is simultaneously a political gamble.

The fact that President Kim—who is supposed to be aware of this better than anybody else—personally commented on the realignment issue can be seen as indicating that he has made his final decision on it. And, in case the NKP personnel reshuffle and party reforms should exceed levels generally anticipated in terms of election strategy, it can be viewed as suggesting that the idea of a new reform leadership group has been carried through within the ruling camp, whether it represents an official or secret organization.

It appears, however, that the Chongwadae staff or RDP faction leaders have reached no complete accord on an "impeccable realignment" for a so-called new reform leadership group. It is said that differences exist even within the RDP faction over ways and means of the realignment.

As President Kim's realignment plan as disclosed by Chongwadae Secretary General Kim Kwang-il was seen as meaning a leadership change, causing friction, NKP Secretary General Kang Sam-chae did not hide his dissatisfaction. He contended: "Every time I see President Kim, he always discusses realignment. It is by no means a new topic. The president refers to it in the general context of political reform. Nonetheless, reports about it give a misleading impression as if changing personnel were all there is to it."

Also, when Yi Yong-hui, former director of the party Yoido Research Institute, demanded the total liquidation of Fifth and Sixth Republic forces, and the resignation of party Chairman Kim Yun-hwan in the same breath, Kang Sam-chae charged that Yi is "not a child but



still saying such stupid things," again displaying a response different from what some young turks in the RDP faction were saying. Kang's comments, of course, reflect his role as the party secretary general bearing the full managerial responsibility for the 11 April general election, showing the plight of a man whose job is to minimize intraparty frictions and at the same time find an optimum point to ensure victory in the elections while facilitating a personnel reshuffle. Nevertheless, evident in his attitude are some subtle differences with groups putting greater weight on their role as pure reform preachers.

Viewed from an angle of the existing lines within the ruling camp, this shows that, in comparison with the so-called group-of-four hard-liners in the RDP faction (Kim Tok-yong, Pak Se-il, Yi Yong-hui, and Chon Pyong-min), Secretary General Kang is closer to the side supporting a cautious approach. In fact, his everyday remarks and political style are generally seen as centering on a line of realistic reform.

In respect to the party endorsement issue, too, Kang's position is that "the reform vs. conservatism approach is wrong. Political issues should be resolved based on realities and from a long-term point of view." His logic is that it is undesirable that a realignment or a party reform drive leads to conservatism vs. reform polemics, and that what the party needs in the present stage is an all-out war on tactical, strategic levels to ensure victory in the general election. In his position, finding the greatest possible common measure for inducing change is more important than change itself.

The same thing can be said about Kang Sam-chae's handling of the controversy over the party leadership, which was once so poignant that Chairman Kim Yun-hwan expressed his will to resign. To settle the controversy, Kang used a compromise plan calling for continuation of the Kim Yun-hwan leadership and the assigning of heavy-class outside figures being recruited to the party's election campaign organization.

It goes without saying that in the center of friction over the realignment issue is the power struggle between the RDP and DJP [former Democratic Justice Party] factions. It is undeniable, however, that there are subtle, branched-off differences even within the RDP faction, depending on where individual members stand in the faction over the breadth and depth, and when to complete, the personnel reshuffle. It is for President Kim to decide which of those side branches to keep. While he is presently a president whose faction, the RDP, is a minority in the party, the choice he is to make will be one to make himself the leader of a majority faction

both in name and reality so that he can press ahead with his agenda on a stabilized power base.

The rapidly changing political situation, when viewed from the viewpoint of counter-opposition strategy, is indicative of the ruling camp's intent to neutralize the offensive weapons in the hands of the opposition.

Since the outbreak of the slush fund scandal, the opposition, in particular the NCNP, had persistently demanded public disclosures of the campaign funds in the 1992 presidential election and a special legislation to deal with the 5-18 Kwangju incident. Of the two, President Kim moved resolutely to defuse the 5-18 issue. The ruling camp emphasized that it was a historic decision and a revolution of honor, giving the credit to President Kim. However, in view of the fact that the president had earlier suggested leaving the issue to history for judgement, it is more realistic to think that the decision was based more on his circumstantial need than his historical perception.

It can be said that as the circumstances changed, President Kim's thinking changed accordingly. In other words, his intent was against leaving the issue in the hands of NCNP President Kim Tae-chung as a card for him. His intent was to bring an end to the situation in which the "civilian government" was handicapped by it, once and forever.

#### **"Liquidation of Former Military Rule Forces = End of KTC Role"**

Another factor apparently at work in this respect was the sense of crisis within the ruling camp that if the present political balance should be left to continue, the possibility is high of the NKP suffering a crushing defeat in the general election as it did in the June local elections last year. In that sense, another aspect of the super-hawkish KYS strategy dealing with the situation triggered by the slush fund scandal is that it is linked to an attempt to shake the existing political domains with the imminent election in mind.

The way President Kim resolved the Kwangju incident issue can be viewed as reflecting the will of the ruling camp for preempting the opposition on potential major issues in the upcoming general election, namely, the issues of regionalism, change of generation, etc. A ruling camp source said that "the liquidation of Fifth and Sixth Republic forces, of which the imprisonment of the two former presidents is symbolic, also means that the historical role of *ancien regime* politicians who opposed and survived military rule is also coming to an end." "Especially," he added, "the rhetoric of politicians who have been using regional animosity as a weapon will no longer be persuasive."



The logic used here extends the symbolic effect of the shutout of Fifth and Sixth Republic forces to a "KTC role has ended" theory. It was in the same context when NKP Secretary General Kang Sam-chae, after paying a visit to the Mangwoldong cemetery following the passage of the 5-18 special legislation through the National Assembly, stressed that "the Kwangju issue is no longer a monopoly of a specific political party."

No Chae-pong, a political brain of the Sixth Republic force, once characterized President Kim's government style as "shutout and control." To borrow his description, it can be said that the shutout of Fifth and Sixth Republic forces has been carried out in the name of reform, and the present situation is moving on toward control of KTC, the biggest political foe, in the name of change of generation and eradication of the *ancien regime* political misconduct.

The opposition insists that while the "shutout" portion has taken the shape of a realignment of the ruling camp as referred to in the above, the "control" portion is finding expression in a "destroy KTC" campaign. With regard to KCP, the opposition, noting that he is a holdover from the 16 May [1961] military coup d'etat and a present factor in real politics, thinks that KYS must have marked him off as a target for both, shutout and control at the same time. Currently, activity to root out and destroy the former ruling camp and that to bring down KTC's political image are combined in one package, and this reality has turned the political front into a multipolar configuration.

In the political sense, the 5-18 special legislation and the imprisonment of Chon Tu-hwan are distinctly, and qualitatively, different from the imprisonment of No Tae-u. A personal scandal involving a former president was escalated into an issue affecting Fifth and Sixth Republic forces in general; at the same time, the questions of political and historical judgment were added to what had been a simple legal case.

Chon Tu-hwan, in a roadside statement prior to his imprisonment, made a direct attack on President Kim, raising the questions of the original sin of the three-party merger and the ideology behind it. (He said that if he had led a mutiny as alleged, President Kim, who entered into collusion with the insurrection force, should bear his share of responsibility. He also said that denying the legitimacy of the past regimes was a logic consistently employed by leftists.) Chon also staged a hunger strike immediately after he was taken into custody. As seen in those developments, the present regime and the *ancien regime* forces drew a reform vs. conservatism battle line amid head-on clashes. When Chon saw Rep. Kim Sang-ku, a brother-in law, immediately before his

imprisonment, he reportedly told him that "it appears that the situation is heading in such a direction that I have no alternative but return to politics anyway."

### Zero Possibility of KYS-KTC Coalition

In addition, Kim Chong-pil, president of the United Liberals and Democrats [ULD], posing as successor to the Pak Chong-hui regime, is striving to become the center of the former ruling camp and the leader of conservatism by absorbing part of the Fifth and Sixth Republic forces. Whether there will be a merger of the conservative fronts, or a redeployment of the main forces of conservative factions, depends on how the TK sentiment—the sentiment of the Taegu-North Kyongsang region—will respond. The stronger the adverse winds against President Kim from Chon or from the former ruling camp, the tougher becomes the conservative fronts. And tensions felt on the reform vs. conservatism front are likely to rise further.

However, the problem is that the situation does not feature a single front. If issues were limited to the relationships between KYS and the *ancien regime* forces, namely, reform and conservatism, analysis of the political configuration would be a simple matter. The actual situation is far from that. The fact is that a KYS vs. KTC battle line, the real staff, is being drawn.

KYS continued to lead the political situation toward a showdown with KTC, even in the maelstrom of the liquidation drama. Along with the liquidation of Fifth and Sixth Republic forces, he has been stressing his will for becoming the last president of the three-Kims era and for lowering the curtain on the era. Meanwhile, KTC—who, for the sake of obligation as a comrade in the pro-democracy struggle for three decades, had come up with a democratic forces coexistence plan intermittently—shifted to making use of the anti-KYS wind from the *ancien regime* forces once he ascertained that the KYS sword was pointed at him.

The present political configuration is not a logical simple setting but an illogical complex one, a fact explaining all the contradictions it spawns. Herein, it seems, lies the reason why the general masses are endlessly confused about it, and why the reform camp [kaehyok chinyong] is endlessly engaged in factional games. It is also the reason why *chaeya* [the reformist camp], currently in the process of being dismantled and still in disarray, has no alternative but to eventually end up as pro-KYS or pro-KTC elements.

Commenting on the current political trends, Rep. Yi Se-ki, NKP, once said that "the ruling party, while getting applause, is losing votes. That is the situation it finds itself now." He was saying that contradictions



in the current political situation caused by the multipolar fronts have generated similar contradictions in the voter response. Meanwhile, a personage in the RDP faction said that "if you ask me to pick one word to describe KYS' feeling toward KTC, it will be hatred." Seemingly reflecting these things, Chairman Kim Yun-hwan lamented that "all we should be doing is to fulfill the duties of the ruling camp faithfully; however, KYS has been, in fact, overconscious of KTC in his political management and this has led to continued entanglements in the situation."

Under these circumstances, even foreign press began directing serious attention to Korean developments. LOS ANGELES TIMES wrote that "the intent of KYS is to eliminate KTC and KCP as he did away with Chon and No." Meanwhile, ASAHI SHIMBUN reported that the fundamental truth about developments in the Korean political situation since the start of the No Tae-u slush fund probe should be found in a final war between the two Kims. Now, judging from all this, the possibility of a KYS-KTC coalition is obviously zero percent.

The present political scene is dominated by the three Kims. So, when viewed from an angle focusing on the relationships between the three Kims, the remaining variables are reminiscent of the situation that existed in the initial phase of the slush fund scandal. In other words, the alleged audit and inspection plan on politicians and the controversy over the 1992 presidential campaign funds are still there as variables. As for the ruling camp, it has to act on—and put out of the way—the "2 billion won plus something" allegation against KTC as raised through NKP Secretary General Kang Sam-cha; speaking of the opposition camp, the NCNP in particular, it will likely demand an inquiry into the campaign fund issue involving KYS himself or an additional liquidation and, at the same time, launch a counterattack on morality of the ruling camp.

How many angry waves is yet to rage across the present election-dominant political scene seems to depend on how many of the anti-KTC weapons are still left in the KYS arsenal. In November last year, when the prosecution's investigation into the No Tae-u slush fund scandal was under way, President Kim reportedly called in An U-man, minister of justice, telling him that "I am about to start a risky game. I want you to make full preparations, please." Also, at a Chongwadae meeting with senior presidential secretaries, he said: "I think that this is a God-given opportunity." He was hinting at his grim determination, said an official present at the meeting. These words can be interpreted as suggesting that at a time when the slush fund probe was under way, President Kim already had his plan to overhaul the political world.

#### After All, Problem Is about Money

President Kim's such words reflect the substance of real politics under the cover of the right-the-wrongs-of-history cause, namely, his will to destroy the existing paradigm called the three Kims structure and create a new paradigm in its place. President Kim tried to find justification of his cause in the connection between money and politics. Hence, his attempt to pick on KTC with the "2 billion won plus something" allegation. Therefore, the controversies over an alleged audit-and-inspection plan on politicians, KTC in particular, seem to boil down to the argument of whether or not such a probe can be finally justified by the result, rather than whether or not there will really be such a probe. Consequently, regarding the fact that a widely rumored large-scale, year-end probe failed to materialize, the prevailing view is that KYS has failed to secure material evidence of the "plus something" portion of the allegation against KTC.

This was viewed in some quarters as signaling a decision already made to withhold the planned probe; however, according to ruling camp sources, it is more correct to say that there has been changes in the direction and nature of the plan.

A key NKP official said: "This time, it won't be the kind of audit-and-inspection action that used to mark the final phase of a large-scale corruption case in the past. The type of action under discussion in the ruling camp is one entirely different in quality. It will be carried out at any point of time, and on the level of rooting out and destroying the *ancien regime* misconduct of politicians, i.e., irregularities and corruption and the collusion of power and business." The remark has the nuance of an intent to use the formula of summoning whomever involved in a corruption case for investigation, one at a time, rather than a collective audit and inspection action that could give the impression of an oppression against the opposition.

It is highly possible, therefore, that the work to find evidence of "plus something" against KTC is still under way. With the liquidations of the past as a stepping stone, President Kim has been preparing for a final war on the existing political world. And now, whether he really will wage it is a question that will be determined, after all, by how far the government can get in its probe into the black money that found its way into the political sphere.

The 1992 KYS campaign fund issue also appears to be a matter that will eventually be handled on that line. The NKP holds to its position that all answers to the questions about the 1992 campaign funds should come from No Tae-u himself through the



prosecution's investigation or his court testimony, and that the NKP has no plan to make any disclosures at this point of time. This position seemingly suggests a substantially negative stance, indicating that it will accede to no demands for an additional inquiry into the 1992 campaign funds issue unless the prosecution's probe first sheds light on parts of the controversy surrounding political funds allegedly received by the opposition. In his nationally televised New Year policy speech on 9 January, for instance, President Kim, while generally touching on the political funds issue—by saying that he had received aid for political activity from supporters before becoming president—stopped short of making specific references to details of the 1992 campaign funds. If the situation should escalate to a point where the KYS camp make additional disclosures of No Tae-u's campaign fund contributions in the 1992 presidential election, it would mean that there has been a change in the situation.

In other words, it would mean that KTC has been fatally wounded in the black money controversy, namely, that evidence of the "plus something" portion against him has been secured, belatedly. To repeat, it can be said that the unique KYS sentiment that "I am prepared to get myself stepped on if only I can pin down KTC in the present situation" remains a variable. Anyway, to win in the April general election even using that kind of method, then go on to see that the presidential race next year puts neither KTC nor KCP but a new person in Chongwadae to realize what he calls change of generation — this is the very destination of the KYS scenario on the liquidation of the *ancien regime* forces.

#### **Constitutional Amendment Debate to Curb Generation Change**

However, whether or not the KYS scenario can be realized is absolutely another question. If it fails to be carried out, it will provoke a direct KTC counterattack. In this case, KTC's counterattack strategy, or his resistance logic, will center on a "demand for an additional liquidation aimed at liquidating the past of KYS." His top priority will be a counterattack demanding that KYS atone for the campaign fund he himself received from No Tae-u. In other words, he will set himself, who voluntarily admitted having received 2 billion won, against KYS who says he had received not a single cent, thus making morality an issue. Included in the strategy is his demand for an apology by KYS for the three-party merger, and for his objection in the past to punishing people involved in the Kwangju incident.

In short, it is a strategy to cast the logical falseness and contradictions of KYS' liquidation-of-the-past program into maximum relief and thereby render his "right

the wrongs of history" cause itself invalid. When Prime Minister Yi Su-song remarked that punishment to be meted out in the Kwangju incident case should be limited to symbolic figures, KTC promptly sent a protest group to take issue with it. The step he took seemingly illustrates his stance to highlight a discriminative approach to the case by KYS. Regarding the way KYS handled the Kwangju incident issue, KTC will likely cut it down by the logic that it is not based on any historic, selfless decision but symbolizes "a second 6-29 surrender [the 29 June, 1987, No Tae-u statement]" in the face of national resistance. And by so doing, KTC will try to obliquely bring into relief his assertion that the role he has played since his return to politics drove KYS to change his word.

On a constitutional amendment debate likely to become an issue after the general election, KTC already hinted at his will for preempting his rivals on the issue. When KCP referred to his amendment plan for cabinet system as a New Year's topic, KTC countered it with his cherished view favoring the presidential system. Moreover, persons close to KTC went the length of spreading the word about a study being made of an amendment allowing a president to serve a second term (although the word was withdrawn later) in what appeared to indicate a stance encouraging a constitutional revision debate. The move seemed to reflect KTC's intent to preclude the possibility of a KYS-KCP coalition move likely to emerge in case the NKP falls to a minority party in the April general election.

It is more so, especially, in view of the fact that the word from the KTC camp came after KCP had disclosed his willingness to "join hands with anybody if it is for realizing cabinet system." On the other hand, KTC seems to be aware that an escalation of debate on the constitutional amendment issue will likely work more in favor of KCP than for himself. The KTC camp, nevertheless, appears to have a lingering interest in the amendment debate, apparently because it observes that it would be "more in our favor if votes of the former ruling camp go to KCP rather than to KYS." Anyhow, KTC's vote projection is that there is little overlapping between potential votes for himself and those for KCP. Externally, a glance at the situation may indeed give the impression that the NCNP and the ULD are in a clash over the presidential-system-or-cabinet-system issue, but the truth is that it is a calculated polemic.

KCP's response to reports of a ULD-NCNP battle over the constitutional amendment issue was: "We in a quarrel? I'll be damned..." Also, a ULD internal report noted that "to continue, with the cooperation of the NCNP, confrontation between the proposed cabinet system and a genuine presidential system in



the future seems to be the only way to put issues raised by the NKP—such as change of generation—to rest." These things indicate that the two parties, based on mutual calculations, are working to make their respective amendment plans an issue. At the same time, KTC showed his estimate that the NCNP could win approximately 100 seats, or one third of the total number of seats in the National Assembly, alluding to his calculation that it would give him enough clout for a positive response to the amendment controversy. This can be interpreted as showing his will for preempting rivals on issues surrounding the controversy.

Charged with all these variables, and constantly threatening an explosion and still putting it off momentarily, the nation's political situation is dashing toward the 11 April general election. Each camp is making all-out efforts for territorial divisions and expansion in preparation for that possible explosion of the political world. The outcome of the general election will set the stage for a test to decide if "KYS will be able to continue is domination of the scene and conquer the political world," or if "KYS, who has drawn his battle lines here and there, will be outflanked and besieged by his foes."

It is premature to predict whether the KYS-directed scenario is a reckless game beset with excesses from the beginning or will prove to be a hit of the age captivating the hearts of people. But, considering the changing alignment of the political world likely to come after the general election, at least one thing seems to be clear. It is the fact that the realistic end of the scenario is "a big bang of the political world." Even at this moment when party endorsements for candidates and election strategies are under discussion, the political situation is continuing its dash toward its goal, the big bang.

**ROK: Yi Kwang-hak Appointed Air Force Chief of Staff**

SK2702021796 Seoul YONHAP in English  
0111 GMT 27 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 27 (YONHAP) — The government decided Tuesday to appoint Lt. Gen. Yi Kwang-hak, currently superintendent of the Air Force Academy, air force chief of staff, a senior official at the Defense Ministry said.

The official said, "The cabinet meeting held this morning decided to promote Yi to four-star general and appoint him air force chief of staff. He will take office March 8."

Current Air Force Chief of Staff Gen. Kim Hong-nae's term of office expires March 8.

**ROK: Securing Rice Self-Sufficiency 'Top Priority'**  
SK2702023596 Seoul THE KOREA TIMES  
(Supplement) in English 27 Feb 96 p 1

[Unattributed article on the Ministry of Agriculture, Forestry and Fisheries from the "Special Report" section: "Securing Rice Self-Sufficiency Top Priority of Agro Policy"]

[FBIS Transcribed Text] The Ministry of Agriculture, Forestry and Fisheries, alerted on the continuing reduction in rice production, has set as the first and foremost policy target securing self-sufficiency of the staple grain.

With the full-fledged influx of foreign agricultural and fisheries products under the new world trade system, the ministry is also poised to concentrate on strengthening the international competitiveness of the domestic farming and fishing industries.

Well aware of the difficulties faced with the rural areas, the ministry plans to put emphasis on making farming and fishing villages attractive places to live.

"I will try my best to lift the morale of the farmers and fishers and boost their income to the level of their counterparts in developed nations," Minister Kang Untae said in an interview.

The emergence of the World Trade Organization system poses tough challenges for Korean farmers as it has brought about boundless competition, according to Kang.

Under the circumstance, the rice market in particular is most vulnerable to foreign market access.

"We cannot overemphasize the importance of rice self-sufficiency as it is the staple food grain for our people and the main source of income for farming households," a senior ministry official noted.

Rice self-sufficiency is essential to social stability in this country which is confronted by constant threats from North Korea. So the ministry will try to ensure self-sufficient rice supply by securing the necessary area for growing rice and developing new high-yield rice strains.

Last year's rice crop was tallied at 32.6 million sok (one sok is 144kg), a decrease of 2.53 million sok from the previous year, putting rice self-sufficiency in danger.

This is the smallest amount of annual rice output in 15 years since 1980, which saw a production of 24.66 million sok of rice because of bad weather, ministry officials explained.

Accordingly, the rice stock at the end of last October was 4.72 million sok, a decrease of 1.25 million sok than previously estimated.



The stock amount is expected to reach only 2.78 million sok in October this year, less than half the quantity the Food Agriculture Organization set as recommended stock.

The organization set the amount for two months' consumption as the recommended storage amount of staple grain for each nation. In the case of Korea, this is six million sok of rice.

So the nation will have rice stock good for one month next October.

The nation's rice production has been decreasing since 1988, which saw a yield of 42.4 million sok. The production dropped by almost ten million sok over the past seven years.

Should the trend continue, the nation will have to import rice voluntarily although it is now buying the food grain obligatorily under the Uruguay Round formula.

The reduction in the rice crop is mainly due to the decrease in rice farming area by 47,000ha this year, or a 4.2 percent drop from 1994. The area of rice paddies has decreased by an average of 31,000 ha annually during the last five years.

The decreasing rates were 1.8 and 2.9 percent in 1993 and 1994, respectively. The total rice farming area was 1,103,000 hectares this year.

Many of the rice paddies are converted for other purposes like factories and commercial sites, but farmers are also increasingly giving up rice farming. Due to a shortage in the labor force, 4,000ha of rice fields have been neglected.

Ministry officials however, say the rice field area will not decrease remarkably in the coming years as rice prices have been hiked 13 percent this year.

But the prospect is not bright and farmers have lost enthusiasm for rice farming due to unfavorable conditions.

The government should decrease its rice purchasing from farmers every year in accordance with the Uruguay Round formula, and the lack of laborers in farming regions is expected to worsen with rising labor costs.

Another factor which resulted in the decrease in rice crops was the drought in the central region of the nation and relatively bad weather conditions during the ripening period, officials explained.

Average output also saw a decrease of 14kg from 459kg per 10 ares recorded last year.

Chollanam-to saw the largest rice production of 6.025 million sok, followed by Chollapuk-to and

Chungchongnam-to, which produced 5.325 and 4.997 million sok of rice, respectively.

Under the situation, the ministry recently came up with comprehensive steps designed to guarantee rice self-sufficiency. It featured, among other things, an expansion of arable land areas and assistance to rice-growing households.

The first step is to vitalize the market at the private level by decreasing government intervention as much as possible.

In the process, the administration will work to guarantee the substantial income of farmers by introducing a system that enables rice prices to fluctuate each season.

And the administration will also flexibly deal with rice purchased from farmers by the National Agricultural Cooperative Federation (NACF) to maintain the relatively high rice prices.

Well wary of the criticism over the governmental purchase of rice from farmers by issuing specially designed bonds in this regard, the administration plans to change the current system.

"This is necessary, especially with the inauguration of the World Trade Organization (WTO) system, under which the member countries, including Korea, are obliged to cut gradually government subsidies for farming households to guarantee the fair trade order in international markets," a ministry official said.

The administration is also considering publicly auctioning rice to secure the distribution of the staple food grain in accordance with the market principle. So far, the purchased rice has been distributed regularly under government policies.

Judging that the recent reduction in rice production has mainly resulted from the lack of rice fields, the administration plans to adopt policies designed to improve the quality of rice species. The regulations regarding the farming lands will also be revised to solidify the foundation for more rice production.

Some 24,000ha of land will be rearranged into rice farms until the end of this year, in addition to the 689,000ha which has already been reclaimed. In addition to the steps aimed at guaranteeing rice self-sufficiency, the administration is also seeking measures to raise the competitiveness of the domestic agricultural and fisheries industries in international markets.

To this end, mechanized and scientific agricultural and fishing measures should be expedited through intensive assistance from the administration, explained a ministry official.



Minister Kang said that his ministry would concentrate efforts for increased exporting of agricultural and fisheries products, setting the export target at 4 billion dollars for this year.

It would extend 180 billion won in assistance to agricultural export industries, compared to 100 billion won seen in 1995. Trade information on some 70 main items will be provided to export and import industries and agents.

The existing Agricultural and Fisheries Marketing Corporation will be transformed into an organization exclusively in charge of assisting export businesses.

Marketing activities will be fortified in the United States, Japan and Southeast Asian nations, promising countries for Korea's exports.

Permanent exhibition pavilions will be set up to advertise major export items such as kimchi, ginseng and other agricultural and fisheries products. The ministry will encourage related companies to take part in international expositions.

It will also employ aggressive trade policies in order to grasp up-to-date international market situations while effectively coping with possible inappropriate trade practices of counterpart nations.

#### **ROK: NPA Determined To Curb Computer-Related Crimes**

SK2702021096 Seoul THE KOREA TIMES in English  
27 Feb 96 p 2

[FBIS Transcribed Text] The National Police Agency [NPA] will set up an international crime information center to keep tabs on computer-related crimes and hacking in particular which are at an all-time high.

According to the NPA, the center, a major expansion of the present police computer crime unit, will go into operation in June of next year after experts are secured and international ties are strengthened.

An NPA spokesman said, "Computers are a daily necessity and they are available to all types of people. We anticipate a further increase in related crimes."

"As the result, we have decided to upgrade the current anti-hacking unit into a crime center and are determined to curb the surge in computer related crimes," he said.

As a preparatory step, the NPA has ordered four urban or provincial police agencies to set up anti-hacking teams made up of two computer experts and a police investigator.

In addition, the NPA is negotiating with Interpol (the International Criminal Police Organization) to be allowed

to tap into its extensive computer database on hackers and their methods. Interpol maintains a close tab on over 1,000 notorious hackers operating throughout the world, which will be available to the NPA should Korea access the data.

A total of 176 member states feed reports and updates on crimes taking place in their countries into the Interpol computer, making it indispensable to cope with international crimes.

According to a police source, there are about 200 suspected hackers in Korea and their number is rapidly increasing thanks to the wide availability of the Internet.

The establishment of the center, which has to do with this trend, will hopefully provide a bulwark against the spread of computer crime in Korea, the source said.

#### **ROK: Prosecution of 5 Key 1979 Coup Participants Planned**

SK2702105896 Seoul YONHAP in English  
1010 GMT 27 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 27 (YONHAP) — Five persons charged with playing key roles in the December 12 and May 18 incidents are set to be prosecuted Wednesday.

They will be Pak Chun-pyong, formerly 20th Division commander; Chang Se-tong, commander of the Capital Garrison Command's 30th Security Group; and Choe Sae-chang, commander of the 3rd Airborne Brigade.

The three were already placed under arrest on last Feb. 21 on charges of performing major duties in rebellion in violation of the military criminal code.

Two others, who will be indicted without physical restraint, will be Sin Yun-hui, former deputy M.P. [military police] commander of the Capital Garrison Command; and Pak Chong-kyu, 15th Battalion commander of the 3rd Airborne Brigade.

The Seoul prosecution, in another move, plans to suspend the indictment of the three who, under similar charges, have escaped the country.

They are Pak Hui-to, formerly 1st Airborne Brigade commander; Chang Ki-o, 5th Airborne Brigade commander; and Cho Hong, M.P. commander of the Capital Garrison Command.

"Because the court is moving fast in trying those involved in the two incidents, we the prosecution cannot delay indicting key involvers any further," a prosecution source said.



**ROK: Korean Religious Leaders Meet in China,  
Agree on Programs**

*SK2702103496 Seoul YONHAP in English  
1013 GMT 27 Feb 96*

[FBIS Transcribed Text] Beijing, Feb. 27 (YONHAP)  
— Pan-denominational religious leaders of South and North Korea met here Tuesday to agree to launch a set of joint programs and to meet periodically in the future.

"South and North Korean religious leaders agreed to meet often and harden their solidarity, thereby joining actively in a movement for peaceful unification," an announcement issued at the end of the meeting said.

The meeting, hosted by the religious councils of both sides, was attended by eight delegates from the South and 12 from the North.

A source said the agenda topics of the meeting included the issues of raising a unification fund among religious organizations, staging a campaign to share medicines and daily items between the peoples of the two sides, and holding joint prayer services and seminars on peaceful unification.

"We have agreed to hold a second meeting in June in a third country and a third meeting either in Pyongyang or Seoul before the close of the year," Yi Kyong-chae, information officer of the (South) Korea religious council said.



## Brunei, Malaysia & Singapore

### Malaysia

#### Malaysia: Foreign Ministry 'Source' on ASEM Issues

BK2602122096 Kuala Lumpur BERITA HARIAN in Malay 26 Feb 96 p 2

[FBIS Translated Excerpt] Kuala Lumpur, Sunday [25 February] — European leaders will possibly not raise any issues considered sensitive with their Asian counterparts when they meet for the first time at the Asia-Europe Meeting [ASEM] in Bangkok on 1-2 March.

A Foreign Ministry source disclosed today that a senior European official agreed at a meeting in February to prepare the agenda for the upcoming summit that sensitive issues should not be raised.

The source also quoted this senior European official as saying that he would inform each leader not to raise any sensitive issues that could obstruct the smooth flow of the summit.

Asia's request was submitted to the senior European official by Thailand, which represented Asia at the meeting in Rome. Europe was represented by Italy.

Asia consider such issues as East Timor—a former Portuguese colony that is now under Indonesian rule—human rights, and logging to be sensitive.

According to the source, Thailand had duly informed its Asian partners of the outcome of the recent meeting in Rome.

The source said: "Europe warmly welcomed Asia's request that any sensitive issues not be raised during the upcoming summit so that the Asian and European leaders will have more time to discuss more important and beneficial issues."

The source added that Europe also complied with Asia's request that, due to time constraints, a ministerial-level meeting not be held during the summit, whether such a meeting would involve foreign, economic, or trade ministers. [passage omitted on Phuket meeting]

#### Malaysia: Commentary Reviews ASEM's Bangkok Summit Agenda

BK2602121996 Kuala Lumpur Voice of Malaysia in English 0810 GMT 26 Feb 96

[Station commentary]

[FBIS Transcribed Text] The first Asia-Europe Meeting or ASEM, scheduled for 1-2 March in Bangkok, looks on paper to be the forum being held at a perfect time

for both Asia and Europe. But other signs are showing that this meeting could be more than what it appears to be.

On paper, the summit proposes discussions on trade and economic issues between the two continents, but closer scrutiny might just expose that it could very well be a summit to also set new definitions in international relationship between two very different continents, which are also heading into different directions. On one side there is Europe; the master of world happenings has found itself stagnating and not going anywhere. On the other side there is Asia, most specifically East Asia, which—after having lived for centuries under the influence of Europe—are starting to outdo their former masters in terms of trade and economy. While Europe is stagnating, Asia is booming. Naturally, the coming together of these two diverse cultures is expected, and the inevitable product is ASEM, soon to be held for the first time, and will bring with its completion, hopefully, a whole new understanding of international relationship.

In formulating the agenda for the meeting, Asia—represented by seven ASEAN nations and South Korea, China, and Japan—has found itself on one mind. The agreement was for the summit to be an opportunity for heads of government to discuss trade and economic issues. This consensus reflects the Asian way of thinking and seriousness to solve specific issues. To clash unnecessarily would only bring outbreaks or conflicting results. The rationale behind Asia's request for non-discussion of sensitive issues is simple. There is a time and place for everything, and ASEM is the time and place for trade and economic issues only. It is all for the sake of efficiency and practicability.

On the other hand, the unpredictability comes from Europe, with its inability to leave well enough alone and holier than thou attitude. Some quarters are already showing signs of coming out with their guns blazing. That is (?why) some of the agenda of ASEM would best be put aside for the time being, lest they put on the summit into a milestone for all the wrong reasons. Known [words indistinct] eccentrics, some leaders could turn the summit into their crusade for things they consider are right, regardless of other opinions. If this happens, one can be sure that the ASEAN leaders will not sit back.

In such a scenario, only two things would happen: an all out confrontation between eastern and western values; or, two, the death of a summit in which nothing happens, as even the distant discussions could be started. [sentence as heard] It will be sad if such a scenario really materializes.



A potential for progress to both continents within healthier relationship is tremendous. Europe is in a slump, but investment in Asia could help it out of the doldrums. Asia is vibrant but least to realize the potential of its exports to Europe. The whole thing points to a perfect symbiosis.

It would be sad to see such a potential destroyed by some eccentrics or loose guns.

#### **Malaysia: Editorial Discusses Expansion of ASEM Membership**

*BK2602142396 Kuala Lumpur UTUSAN MALAYSIA in Malay 26 Feb 96 p 6*

[Editorial: "ASEM Membership Remains Questionable"]

[FBIS Translated Text] Several countries have already called for an expanded membership prior to the opening of the first Asia-Europe Meeting [ASEM] scheduled to be held early next month.

British Foreign Secretary Malcolm Rifkind wants ASEM membership to be extended to Australia, New Zealand, Pakistan, and India. The country even offered to host the second ASEM in 1998, and it is clear that British diplomats will make every effort to achieve their objective to expand the ASEM membership.

In fact, such a proposal is nothing new but had been raised during the ASEAN summit held in Brunei last July. Malaysia opposed the proposal.

In comments yesterday, Prime Minister Datuk Sri Dr. Mahathir Mohamed was absolutely opposed to the proposal of extending ASEM membership to Australia and New Zealand. According to the prime minister, an expansion of the ASEM membership would only result in damage to the dialogue because every nation has its own interests, and it will, therefore, give rise to differences of opinion.

In fact, as the initiator of the agenda for the upcoming summit, ASEAN wants only East Asian countries to represent Asia in the ASEM. Nevertheless, some other countries have the impression that the upcoming first ASEM scheduled to be held in Bangkok will be a meeting between European countries and the countries of the East Asia Economic Caucus, EAEC.

As the host country for the upcoming summit, Thailand also requested that other participating countries not raise the question of expanding the ASEM membership.

Expressing his opinion, a Thai Foreign Ministry official said that it was currently more important to ensure that the first ASEM is successful. According to this official, the proposal to expand the membership to other suitable

countries could be considered only after dialogue has been successfully established.

In this connection, ASEAN will also surely concur with the host country's opinion because the ASEM's objective is mainly to create a platform for discussions between Asian and European leaders.

Despite the decision not to institutionalize the ASEM made by the Asian foreign ministers at their recent meeting in Phuket, the prolonging of ASEM's existence through a series of biennial summits would be welcomed.

Given such a situation, the first ever summit should not be burdened by a heavy agenda that could give rise to numerous problems and differences among the participating nations. As such, let the Bangkok meeting become a starting point for fostering greater and more sincere understanding between the two continents and also for allowing the existing ties to further flourish.

### **Singapore**

#### **Singapore: ROK President's Visit 'Milestone' in Ties**

*BK2702112496 Singapore Radio Corporation of Singapore in English 1000 GMT 27 Feb 96*

[FBIS Transcribed Text] South Korean President Kim Yong-sam is in Singapore on a three-day state visit. It is the first by a South Korean head of state in 15 years. Mr. Kim's visit marks a milestone in relations between Singapore and South Korea since the two countries established diplomatic ties 31 years ago. Last year, bilateral trade stood at \$12 billion [Singapore dollars], a 24 percent increase over 1994. Korea is also Singapore's eighth largest trading partner.

### **Cambodia**

#### **Cambodia: Hun Sen on U.S. 'Respect' for Human Rights Issue**

*BK2702062796 Phnom Penh National Radio of Cambodia Network in Cambodian 0500 GMT 26 Feb 96*

[Speech by Second Prime Minister Hun Sen at the inauguration of a school building in Kong Chey commune, O Reang Euv District, Kompong Cham Province, on 26 February — recorded]

[FBIS Translated Excerpt] [passage omitted] — Why is the marketplace still called the "Struggle" market now? The word "Struggle" was given to the market at the end of 1970. Why? Because when the airplanes flew by, people scattered and hid themselves under rubber trees.



The United States dropped bombs indiscriminately. They did not care about the marketplace.

Seriously speaking, I do not want to recall past history, but now as the United States comes to try to do something good I need to retort. Why do they act like that? Why try to champion human rights here? A few years ago as they dropped millions of bombs over my head they did they not mention the human rights issue. Why not?

One day as my colleagues and I were eating noodle soup, U.S. planes flew over and dropped bombs. The combatants did not fear the planes, but the sellers did. The combatants were not afraid of the planes, because they were in rubber plantations. As the sellers fled we merely continued to enjoy our noodle soup.

This is why the marketplace has been called the Struggle market. The sellers who brought their wares to the marketplace had to travel through bombardments. The buyers had to do likewise. This is why the marketplace has been called the Struggle market. The story of the market began with the U.S. bombardment. The United States cared about nothing. They bombarded everything, including monasteries, chapels, and marketplaces. They heavily bombarded the Suong marketplace as well. I ran for my life from the totally destroyed Suong marketplace to Pou Cheungkhal through a field. [chuckle]

I did not flee very often from O Reang Euv, but since leaving there, I have always had troubles. In O Reang Euv, I would eat my noodle soup, as the sellers ran suddenly away at the sight of an airplane. The United States did not respect human rights at that time, but they do now. They came and taught us how to respect human rights. I do not mean to make any allusions. Sometimes they did not pay any respect at all, but they taught us how to show the respect.

Yesterday there was an incident in Phnom Penh. A group of students staged a demonstration against a pro-democracy group. I did not know anything about that. Yesterday I took a long rest because it Sunday. I did know anything about the demonstration, but was told later in the evening that there was a demonstration against the Australian Embassy because Australia had interfered in Cambodia's affairs. Bravo! Bravo! It is worth teaching pro-democracy people a lesson. Those people used their rights and now the students use theirs. It is equal. It is retribution. [passage omitted]

#### **Cambodia: Thai Firms Negotiate for Pailin Gems, Timber**

*BK2702091596 Phnom Penh PHNOM PENH POST in English 23 Feb-7 Mar 96 pp 1, 10*

[Report by Christine Chamcau and Matthew Grainger]

[FBIS Transcribed Text] Negotiations are already being held between Cambodian officials and Thai businesses for gem and timber rights in Khmer Rouge-held areas in and around Pailin.

The Royal Government — confident that this year's "new strategy" will hold ground won by its military — has received mining proposals from Thai companies that have reached prime ministerial level.

Those particular proposals, confirm government sources, have not yet been approved.

Battambang's First Deputy Governor Serei Kosal said that he spent five weeks in Thailand in January meeting business leaders.

"I met the vice-president of the [Thailand] Association of Industries... and offered members of the association [the chance] to invest in Battambang [province], including Pailin," Kosal said.

"It is already time to negotiate and sign contracts on the economic resources of the Pailin area," he said.

Kosal added however that it may already be too late if the Khmer Rouge had commercially exhausted Pailin's natural resources.

Kosal said that he told investors that they had to first contact the prime ministers and the Cambodian Development Council (CDC) to approve investments.

Sources in Battambang and Phnom Penh said that negotiations with Thai companies on logging and gem mining had already been made "at a high level" for a couple of months.

"I think negotiations have [already] started on gems," Kosal said. He added that it was legitimate for the government to start such discussions.

Kosal said that since the beginning of February, ten Thai companies had come to Battambang to talk business "but there is nothing officially signed yet."

The POST was told by a highly placed source in Battambang that there had been one gem mining deal signed already. Kosal said he had not heard of the Thai company said to have won the deal. If a contract had been signed at some provincial level — and not through the CDC — then it would be illegal, he said.



Sources in Phnom Penh had not heard of the company either, but confirmed that at least three proposals for gem and timber concessions around Pailin had been put forward to the offices of the prime ministers.

The proposals had been referred to the Ministry of Industry, Mines and Energy, said one source, but were unlikely to be forwarded to the CDC for further action.

The deals are considered premature until the territory is actually secured and the bidding companies can be checked out.

The government was wary that some gem mining companies would prefer to make a quick return from their investment by concentrating first on felling trees, before mining gems, the source said.

Kosal said that the Thai companies now dealing with the Khmer Rouge must stop and "modify" their contracts to deal with the government.

Second Deputy Governor Nam Tum said: "We want to let all the companies that used to work with the Khmer Rouge, work with us."

Kosal said the military situation was very good and the government "could go to Pailin right now if it wants," he said.

Officials in Phnom Penh agreed with Kosal's assessment, though one said "certainly, we can say that the government is very confident that the area will be secure soon, but there is no timetable."

#### **Cambodia: Prime Ministers Find Fault With RAC Service**

*BK2702114596 Phnom Penh REAKSMEI  
KAMPUCHEA in Cambodian 27 Feb 96 pp 1, 4*

[Report by Vanna]

[FBIS Translated Text] The two prime ministers — Prince Krompreah Norodom Ranariddh and Samdech Hun Sen — took turns making strong criticism of Royal Air Cambodia [RAC] at a seminar held on 23 and 24 February to review the work of the Tourism Ministry in 1994- 1995 and its target in 1996. RAC, a joint Cambodian-Malaysian firm, was criticized for problems concerning its service and management.

Analysts expect that in the wake of the two prime ministers' criticism there will certainly be some necessary changes within RAC and that the firm will lose its monopoly on flights in Cambodia, that is, the country's skies will be opened up for competition to other airlines.

The two prime ministers agreed that if RAC, which currently enjoys a monopoly in Cambodia, does not up-

grade or provide brand-new airplanes for its operations, other airlines will certainly come in to compete with it.

Second Prime Minister Samdech Hun Sen said: "If RAC does not provide new airplanes for its operations in Cambodia, there is no other alternative but to allow the setting up of new airlines and to implement an open-skies policy with foreign countries in order to reap the benefits in the tourist sector. Cambodia should take the risk of having an open-skies policy and should not think about RAC's profits or losses. If you lose, you should dissolve yourselves. Our tourism industry should not suffer loss."

It is true that Cambodia has always advocated in its economic policy that no monopoly is permitted in any sector, but criticism over RAC's monopoly has hardly been made as the firm is a joint venture with a foreign company.

It Vichet, an overseas Cambodian, has been appointed RAC's director general following his return to Cambodia. He is now facing the problems raised by the two prime ministers.

Seeking to justify the monthly salary of \$10,000 he received from RAC, Vichet told REAKSMEI KAMPUCHEA that RAC was a fully privately-owned company, adding: "therefore, my salary should not be compared with the salaries of the two prime ministers."

Some of his subordinates have however disagreed with his view, arguing that since RAC is a joint venture between the state and a foreign company, the state should be preponderant in making decisions regarding RAC's major policies.

Moreover, Samdech Hun Sen also ordered RAC to present an urgent report on the disappearance of two TU-134 planes, saying the former State of Cambodia government had borrowed \$11 million from the former Soviet Union to purchase the planes. He ordered that the two airplanes be found within two weeks.

According to Samdech Hun Sen, the two planes do not belong to RAC. If the planes have already been sold, the money should be deposited in the Finance Ministry's account. "RAC has been warned that it must not share the money."

There is something hidden in the problem of the two airplanes that Samdech Hun Sen did not reveal. He only said: "The inquiry into the disappearance of the two planes should never be turned into a threat to kill Hun Sen because the issue merely concerns a loss of national assets. A report on how much the planes have been sold for and who sold them should be submitted immediately."



Samdech Hun Sen disclosed a strange story concerning a investigation into the secret withdrawal of \$2.4 million for the printing of new passports. Shortly after the investigation had been launched, the attempt to assassinate the second prime minister took place.

Although the samdech did not elaborate, it has been learnt that the problem concerning the withdraw of \$2.4 million was connected with Sam Rangsi and Norodom Sirivut. The latter was sentenced to a 10-year term of imprisonment on 22 February.

The saga concerning RAC is likely to continue for a long while because in the past criticism of the company was mainly made in an informal fashion.

**Cambodia: Paper Faces Press Law, Constitution Test Case**

*BK2702082396 Phnom Penh PHNOM PENH POST in English 23 Feb-7 Mar 96 p 2*

[Report by Matthew Grainger]

[FBIS Transcribed Text] The Khmer-language NEW REPUBLIC [name as received] newspaper has been singled out as a test case under two of the most controversial areas of press freedoms in the Kingdom.

The government is — for the first time, a spokesman says — about to sue a paper under the new Press Law for running stories that could affect "political stability or national security".

Neither term under Article 12 of the new law has been legally defined by the government, despite promises to do so.

The REPUBLIC NEWS will also be called to answer charges that it disobeyed the nation's Constitution by running stories that "violated the King."

Information Minister Ieng Muli confirmed that the paper would be the first to be charged under Article 12, and the first to be questioned on alleged "violations" of the Constitution.

It was important this first case was strong "and it's right to say the court has to give a good example," Muli said.

REPUBLIC NEWS, which was given a 30-day suspension order on Feb 14, had been told for months to change its logo — the flag of Lon Nol's Khmer Republic, Muli said.

The paper replaced the flag on its masthead with the insignia of the former republic "so it was just the same for us," Muli said.

"And they continued to write stories against the King, and the King is the symbol of unity and the Constitution prohibits anybody from violating the King," he said.

Muli acknowledged that the paper was suspended under Article 12, and for violation of the Constitution.

Though allegations of lese majeste have been leveled against NEW REPUBLIC, the King has publicly spoken out against criminal sanctions being enshrined against journalists. "No one will be arrested, or threatened, or reprimanded because of me. The court will not try and, even less, sentence any newspaper or journalist because of me," he said in Jan 1994. The King has also said that journalists should be freely allowed to criticize anyone.

Muli acknowledged that there was "still a problem" that, despite his promises, there had been no legal definition of "political stability" and "national security".

"We can say that [the newspaper] violated the King and political stability so the court will be able to decide this," he said.

Legal observers contacted by the POST were worried about the implications of the case against the NEW REPUBLIC.

"Ieng Muli thinks this is an ideal test case?" said one Western lawyer. "Well so do I... it's going to be a perfect example of how a badly drafted law is going to be badly used." All the initial criticisms and fears about the law were now about to be proved right, he said.

Muli said that though the law had been criticized, he believed it was still liberal in comparison with other Asian nations.

The Western lawyer, however, said: "'Political stability' and 'National security' will mean whatever the government wants them to mean... today they're for stories against the King tomorrow they'll be for stories critical of the prime ministers."

"Promises made [by the National Assembly] to define the terms have been broken — and I question whether they were ever going to define the terms. [Those terms] are dangerous anyway because they were always going to be used for political purposes."

The Constitution was not a "law" that could be broken, nor used as a "weapon", he said. Constitutional articles had to be enshrined in law, "so there are no penalties as such for violating the Constitution."

Muli told the POST that a law would be drafted "in the future" relating to the immunity of the Royal Family — which presumably would be used in the future to test allegations similar to those now being faced by the NEW REPUBLIC. Human Rights workers told the POST they had no reason to believe such a law was in the pipeline.



**Cambodia: Khmer Rouge Details Attacks at Sisophon-Poipet**

*BK2702033896 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 26 Feb 96*

[FBIS Translated Text] On 23 February, the Army joined with the peasants to attack invading forces between Boeng Krabau and Kach weir, and between Pheas Khlun and Mak Hoen. They used mobile 60-mm mortars to fire shells on enemy positions on the Sisophon-Poipet battlefield, killing five enemy personnel, wounding seven others, and destroying war equipment.

On 24 February, the Army joined with the poor people and peasants to attack invading forces at Mak Hoen, at Veal Sbov east of Mak Hoen, at Daeum Kakaoh and Boeng Pongrul, and at a point near Sangke Yar bridge. They attacked and swept them at Mak Hoen; sniped them at Mak Hoen; and fired one 120-mm cannon shell on Akeak market, killing 20 enemy personnel and wounding 25 others. We also planted tens of thousands of assorted stakes, and hundreds of antitank and antipersonnel mines.

In sum, between 23 and 24 February we killed or wounded 57 enemy personnel.

**Cambodia: Khmer Rouge Claims 26 'Enemy Personnel' Killed**

*BK2702033296 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 26 Feb 96*

[FBIS Translated Text] On 24 February, the enemy forced its troops to conduct a mopping-up operation on both sides of Route 10 using two tanks. Our army intercepted these troops and then cut them up using sniping and mine-detonating tactics. The enemy also fell into the networks of our strategic weapons. We killed 26 enemy personnel and wounded 30 others. We also set one of the enemy tanks ablaze. The surviving enemy troops fled back to Route 10.

At 1400 on the same day, another contingent of our forces ambushed and burned down the truck transporting enemy dead and wounded out of Phnum Sandek. Everything on board, including the dead and wounded, were destroyed.

**Cambodia: Khmer Rouge Denounces Government Conscription Law**

*BK2602125896 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 25 Feb 96*

["Communique" issued by the spokesman of the Provisional Government of National Union and National Salvation of Cambodia on 25 February; place not given]

[FBIS Translated Text] 1. It has been reported that the nation-betraying two heads — the out-and-out lackeys of communist Vietnam — are currently forging a fascist conscription law. Under the law, Cambodian people between the ages of 18 and 35 will be forced to fight and die for them.

2. The Provisional Government of National Union and National Salvation [PGNUNS] joins the entire Cambodian nation and people in categorically exposing, denouncing, and rejecting this fascist law.

3. The two heads, at the behest of their masters — communist Vietnam and the alliance — are codifying the fascist conscription law with the aim of pursuing the communist Vietnamese war in accordance with the strategy and tactics of forcing Cambodians to fight and die. This is aimed at allowing Vietnam to seize, wolf down, and swallow Cambodia.

The nation-betraying two heads have done nothing but perpetuate the communist Vietnamese war by forcing Cambodians to fight endlessly. The Cambodian nation and people have been extensively victimized and devastated by the war. They have been killed; separated in a wholesale manner; died of great starvation one after another; and lost all their land, rice fields, and orchards. The Vietnamese have come to seize land and wolf down and swallow Cambodia in all fields and sectors. The nation-betraying two heads have committed very serious offenses as great warmongers and great race exterminators.

4. The question is whether the group of nation-betraying two heads — communist Vietnam's out-and-out lackeys — can achieve their most criminal scheme of forcing the Cambodian people to die in the flames of the race-exterminating communist Vietnamese war.

No, absolutely not. The fascist conscription law of the two heads will be categorically opposed and rejected by the Cambodian nation and people. Why? Because the entire nation, the entire people, people from all walks of life, peasants in the countryside, and people in the cities all oppose the war. Peasants, students, laborers, traders, civil servants, and journalists do not want to serve as soldiers to fight and die for this group of traitors. They



do not want to fight and kill their fellow compatriots; patriots; and those struggling to save and defend the Cambodian nation, people, and race. They do not want Cambodia to be turned into a second Kampuchea Kraom [ancient Cambodian territory now part of Vietnam]. This being the case, the two heads have not been able to draft people into the Army. Those who are drafted all run away.

The law concocted by the two heads to draft people, peasants, students, traders, and civil servants to fight and die in the flames of the communist Vietnamese war in a forcible, fascist, and barbaric manner clearly shows that the two heads have been driven to the wall and are perplexed and extremely shaky. They have completely collapsed in all fields and sectors — military, political, economic, and social. In particular, the conscription law clearly demonstrates that the two heads have no more soldiers left to fight. The old soldiers have all disappeared while new ones can no longer be recruited. As for the remaining worn-out soldiers, they are being decimated on the battlefield one after another. The two heads have become gradually exhausted, are being bled white, and do not have even a single soldier left to fight.

The fascist law and actions of the two heads cannot save them in any way. On the contrary, their law and actions have widened and sharpened the conflicts. They have enraged and prompted the nation and people in rural and urban areas to stand up and struggle with a view to terminating the nation-betraying two-headed regime — communist Vietnam's out-and-out lackey — and the nation-betraying two-headed village and commune administrations. This is aimed at establishing a national regime with honest and patriotic people leading a Cambodia endowed with independence, national unity, peace, neutrality, and territorial integrity and subscribing to a liberal, democratic, and market-economy system

25 February 1996.

The PGNUNS spokesman.

**Cambodia: Khmer Rouge Claims Government's Northern Commander Killed**

*BK2602122196 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 25 Feb 96*

[FBIS Translated Excerpt] It has been reported that Srei Doek, the operational commander in northern Cambodia, has died at a Phnom Penh hospital. According to reports from Siem Reap Province and telephone conversations between commanders of the communist Vietnamese puppet army and the two heads, Srei Doek, com-

mander of the 2d Division and operational commander in northern Cambodia, died at a Phnom Penh hospital. [passage omitted]

On 18 February, Srei Doek was riding in a T-55 tank, escorted by another carrying a large group of soldiers and by 200 ground troops assigned to detect our stakes and mines and deter an eventual assault by our guerrillas. Half an hour out of Sa Em, the tanks exploded simultaneously when they hit two of our mines. Their tracks and rear axles were blown up. The tank in which Srei Doek was riding was thrown five meters from the road; 10 officers and 10 security guards aboard the tanks were killed instantly. As for Srei Doek, he was in a coma inside the tank for three hours due to his severe injuries. He had bruises on his head and body; cuts on his face; and fractures in his arms, back, and legs.

Others in Phnom Penh and Siem Reap ordered that the tanks be towed back to Sa Em and that a helicopter carry Srei Doek to Siem Reap, then Phnom Penh. [passage omitted]

Now a group of two-headed commanders has stated in a telephone conversation that Srei Doek reportedly died at a Phnom Penh hospital on 21 February. [passage omitted]

**Indonesia**

**Indonesia: Article Previews Asia-Europe Meeting**

*BK2602140896 Jakarta KOMPAS in Indonesian 26 Feb 96*

[Article by Yayan G.H. Mulyana: "The Meeting of Asian and European Leaders — A Model of Interregional Cooperation" — received via Internet; italicized passages in English]

[FBIS Translated Text] If Rudyard Kipling, a British writer of the 19th century whose famous saying was *East is East, West is West; never the twain shall meet* were still alive, he would be surprised to learn that Asian and European leaders are meeting in Bangkok on 1-2 March 1996 in a forum called the Asia-Europe Meeting (ASEM). The meeting will not only dispel the myth about East-West relations as cited by Kipling, it will also provide historic momentum toward the emergence of interregional cooperation in contemporary international relations.

Initiated by Singapore Prime Minister Goh Chok Tong, the theme of the Bangkok ASEM is: *Towards a New Europe-Asia Partnership for Greater Growth*. The Asian and European leaders are aware of the fact that the global economy is dominated by trade and investment activities in North America, East Asia, and Europe.



There should be a *link* among the three regions to enable the global economy to expand further. APEC [Asia-Pacific Economic Cooperation] and other mechanisms in the Asia-Pacific such as the PBEC [Pacific Basic Economic Council] have merged the economies of East Asia and America while transatlantic institutions link America and Europe. Now it is ASEM's turn to form a bridge between Asia and Europe.

Trade ties between East Asia and Europe have expanded steadily in the 1990's. In 1991, total trade stood at 148 billion ECU's. It increased to 151 billion ECU's in 1992. It increased by 8.6 percent in 1993.

Europe serves as a market as well as a source of capital and technology for East Asian countries. Similarly, East Asia is also a market for Europe, especially for its manufactured products. It is projected that East Asia's demand for European capital and consumer products will stand at \$50 billion at the end of the 1990's. With the growing demand, Asian trade with Europe will grow 50 percent higher than its trade with North America.

Compared to APEC, which links the American and Asian regions through gradual and systematic economic cooperation, ASEM will explore venues for cooperation to link Asia and Europe in politics and defense; economics, human resources development, infrastructure development, and the eradication of poverty; and combating illegal drug trafficking, terrorism, and international crime.

This categorization of cooperation has been approved as the list for discussion at the ASEM. While the nature of APEC cooperation can be described as singular, ASEM cooperation seems more varied.

One problem that may arise in Asia-Europe cooperation is the different speeds and levels of implementation of the agreed cooperation. Even after the Asian and European leaders reach an agreement on political and defense cooperation, it may still take some time to implement. Economic cooperation will probably be implemented in a shorter period of time. As for cooperation in other areas, such as cultural cooperation in the form of cultural exchange programs, they are likely to be realized more easily. It will be interesting to observe the speed and level of implementation of such cooperation in view of the fact that past APEC cooperation based on *informality* has often led to complications.

Another problem may arise when the leaders must decide on the priority of follow-up actions after the implementation of the three categories of cooperation. We will observe the pattern of "who" proposes "what follow-up activity" during and after the ASEM session. Will ASEAN submit a follow-up draft proposal in the

political and defense area? Will Japan submit a follow-up draft proposal in the economic area? Will Europe submit a proposal in the third category? Whatever proposals emerge will be interesting to observe because they will show the priorities and interests of the Asian and European leaders in the upcoming meeting.

Compared to ASEM, APEC — with only one type of cooperation; namely, economic cooperation — has developed in a straight line with the expression of ideas, the determination of targets, and concrete actions toward the realization of the targets. The November 1993 meeting of APEC economic leaders in Seattle began with the recognition of an economic community in the Asia-Pacific. After this, the November 1994 APEC meeting in Bogor determined the target and timeframe for the realization of APEC objectives. Finally, the November 1995 Osaka Action Agenda contained concrete actions for the fulfillment of the Seattle and Bogor meetings. The coming APEC meeting in Manila will focus its members' attention on the strengthening of economic cooperation through the consolidation of resolve among APEC members. It turns out that a *single theme* often facilitates informal regional cooperation.

### Tendencies

The implementation of ASEM's outcome will strengthen the tendency for *informalities* at meetings among national or economic leaders as a modality for progressive cooperation. APEC has proved effective in facilitating trade and investment liberalization in the Asia-Pacific region within a fixed timetable.

ASEM can become a catalyst for interregional cooperation. The success of Asian-European cooperation could lead to the establishment of other kinds of interregional cooperation such as African-European cooperation, African-American cooperation, or African-American-European cooperation (*Atlantic Rim Cooperation*).

Lastly, ASEM is making possible the creation of a *unified space*; that is, a situation wherein all regional mechanisms are *linked* in one synergy. Likewise, Prime Minister Goh has indicated that in the economic field, a *new global economic triangle* will emerge (North America, Europe and East Asia).

Such a triangular link will become a "center point" of the whole *interlink* network that exists, and will eventually form a global synergy. For example, one thing that indicates a link among mechanisms is the *concordance* between the objectives of regional mechanisms like Asian-European cooperation or APEC and those of a global mechanism such as the WTO.



The topic of economic cooperation to be discussed at the ASEM will cover efforts to strengthen multilateralism with the focus on WTO and an expansion of open regionalism. One of the main ideas in the paper on Asia is to strengthen cooperation in accelerating the joint commitment toward the implementation of a multilateral trade system by promoting the WTO (global mechanism), which is based on the principles of open regionalism, nondiscrimination, and rejection of all forms of *unilateral* action and *managed trade*. The WTO is a big portion of the paper on Europe. Among other things, it is said that all efforts carried out at the ASEM should be guided by the principles of the WTO and the concept of open regionalism.

As for APEC, one of the elements of the Bogor vision is full participation in the WTO and the process of the Uruguay Round of trade negotiations. In the APEC Osaka Declaration, it was agreed that all APEC member countries should try to achieve full and progressive trade and investment liberalization to guarantee that APEC is always consistent with the WTO.

Although the link between APEC or Asian-European cooperation and global mechanisms like the WTO is still in the conceptual stage, we are fully and seriously committed to the implementation of the objectives of regional and interregional cooperation so it can become a global reality.

First, the East Asia-North America working mechanism was formed. This will be followed by working mechanisms among East Asia, North America, and Europe. Finally, a global network will be created.

What about the link between regional and global mechanisms in other areas? A complete answer would touch on the varied relations of mechanisms. In short, though, the existence of these links assures us that globalization is becoming a reality and that the saying *never meet* is no longer relevant for interregional interaction.

#### **Indonesian Military Sources: Irian Jaya Hostages Held in Cave**

BK2702055596 Jakarta KOMPAS in Indonesian  
27 Feb 96

[Unattributed report — received via Internet]

[FBIS Translated Text] Wamena, KOMPAS — No meaningful progress has been made in efforts to secure the release of hostages held by the Irian Jaya security disturbance movement [GPK] as the hostage drama entered its seventh week on Monday 26 February. The hostages are being held in a cave known as the "Bat Cave" seven meters above ground.

Those who are accustomed to hiking through mountains could reach the cave in about 10 hours by walking from Bakomdaum commune, Geselama Village, Tiom Subdistrict. The hostages had been transferred there from Geselama on Sunday 25 February. They had to scale a ladder to reach the cave. The ladder was removed after they reached the cave, military sources in Wamena and Jayapura said.

A team from the International Committee of the Red Cross [ICRC] comprised of Ferenc Meyer, Rene Suter, and Silviane Bodei returned to Geselama Monday morning, 26 February, after meeting with the captors.

According to a KOMPAS source, the ICRC team gave a recording of the policy set by Major General Duniya, commander of the Trikora 8th Military Region Command, to the captors. The commander said the Armed Forces of the Republic of Indonesia [ABRI] would withdraw its troops from areas around the hostage site if GPK leaders Kelly Kwalik and Daniel Kogoya safely released the hostages.

According to a military source, the ICRC will develop and print the four rolls of film that Kogoya gave to the ICRC team on Sunday. "We will identify the processed films if they are given to us," it said.

#### **Mozes Weror**

Daniel Kogoya said earlier that he would not release the hostages before he made contact with, or obtained the consent of, his leader in Papua New Guinea. According to a military source in Wamena, the leader of the GPK-OPM [Free Papua Movement] is probably Mozes Weror who is based in Port Moresby, capital of Papua New Guinea.

Mozes Weror, who has three sons, worked in the Department of Foreign Affairs of the Republic of Indonesia in Jakarta, before defecting to become an OPM member. Two of his sons are currently in Australia, and the third one is staying with him. Mozes Weror returned to West Irian [now Irian Jaya] and lived in Jayapura before West Irian reverted to Indonesian rule.

Mozes Weror was one of leaders placed under suspicion prior to West Irian's return to Indonesian rule as the political situation there heated up. Mozes Weror was later imprisoned and remained under close surveillance after his release.

Lieutenant General Suyono, chief of the ABRI General Staff, was quoted by ANTARA as saying on Monday that the ABRI would not consider pardoning the GPK group that is holding the researchers of the Lorentz '95 team hostage, because the GPK failed to show its goodwill by promptly releasing the hostages.



The chief of the ABRI General Staff said the GPK's intransigence in holding the 13 researchers (six of whom are foreigners) should end. "We will take firm measures if they act brutally. Firm measures will have to be taken if the condition permits," Suyono said without elaborating on the condition.

**Indonesia: OPM Representative Discusses Irian Jaya Hostages**

*BK2702094496 Melbourne Radio Australia in English 0630 GMT 27 Feb 96*

[From the "International Report" program]

[FBIS Transcribed Text] A man claiming to be the strategic mastermind behind the hostage drama in the Indonesian province of Irian Jaya says the captives won't be released until there are talks on rebel demands for the area's independence. Twelve people — including six Europeans — have been held by rebels of the Free West Papua Movement, or OPM, for more than seven weeks now. As Sean Dorney reports, the Papua New Guinea [PNG] vice chairman of the OPM Revolutionary Council believes he is the one who will determine the fate of the hostages:

[Begin recording] [Dorney] The Free West Papua Movement, the OPM, has historically been a multifaction organization, with its numerous factions in endless dispute. But when a report out of Irian Jaya yesterday quoted Indonesian military officers as saying the OPM rebels holding the Western hostages had told Red Cross negotiators they were awaiting word from their unidentified leader based in PNG, from the main base Free West Papua activist Mozes Weror was in no doubt it was he they were referring to:

[Weror] That's myself, the chairman of the OPM Revolutionary Council.

[Dorney] And what instructions will you give them?

[Weror] They have to hold that hostage until... [pauses] I must sit down with the British representatives and Dutch representatives and Indonesian representatives and witnessed by United Nations representatives and the place I decide is [name indistinct] to talk about the status — political status — of West Papua, or Irian Jaya, before we can release the hostages.

[Dorney] The report said one of the Western hostages — a Dutch woman, Martha Klein — was pregnant and in poor health.

[Weror] That's why I was contacted by my people in Jakarta. So I will be giving instructions to Kwalik and Kogoya to give permission special for Martha Klein to get medical treatment — to hospital or doctor go to visit

her. That's why it depends on the Dutch Government to sign the document with my representative to allow her to go (?get) medical treatment and go back. We only want her because we concerned about her baby, and therefore we want to give her local treatment, and we like to see that the baby should be born in the mountains. And we want to call that baby, if it is a boy, we will call him [name indistinct] but if it is a girl [name indistinct].

[Dorney] But she won't be allowed to stay at the hospital? She must go back after treatment — back into the mountains to where the rebels are?

[Weror] Well, that depends on how serious it is. But she can be, you know, strong enough, but we like to see the baby born among my people. [end recording]

**Indonesia: Protesters Assail Irian Jaya 'Rights Violations'**

*BK2702092496 Hong Kong AFP in English 0859 GMT 27 Feb 96*

[FBIS Transcribed Text] Jakarta, Feb 27 (AFP) — Some 50 indigenous Irianese from Indonesia's easternmost province of Irian Jaya protested Tuesday at the state secretariat over conditions in their home province during 33 years of Indonesian rule.

The protesters from the Forum of Communication of the Irian Jaya Young Generation also delivered a letter to Indonesian President Suharto containing their grievances.

"Human rights violations on Irianese ethnics in Irian Jaya over the past 33 years should be put to an end," said the letter, a copy of which was obtained by AFP.

The letter cited a long list of grievances the group said caused unrest in the province and warned that if the government ignored the problems, "claims for independence will become stronger, voiced by the young generation of Irian Jaya."

The former Dutch colony of Western Guinea became Indonesian territory in 1964 after a long process of self determination supervised by the United Nations.

Critics have said the voting process was unfair and did not represent the voice of all Irianese.

The Free Papua Movement has been fighting since then for an independent Melanesian state in Irian Jaya.

The protesters said Tuesday that widespread human rights violations have occurred in Irian Jaya under Indonesian rule, including killings, kidnapping, racism, discrimination, rape and robbery.



They also called for Indonesia to appoint more Irianese to public service positions in the province, saying most strategic postings were held by non-natives.

The letter also criticized the government's decision to reduce the presence of foreign missionaries in the province, saying the missionaries had been beneficial teachers, social workers, religious leaders and legal advisors.

The group also attacked the government's program to resettle hundreds of thousands of families from Java, Bali and Sulawesi in Irian Jaya.

It cited exploitation of the region's vast natural resources by newcomers which did not benefit the local community and "robbed" natives of their traditional land rights.

The letter was received by Sukma Irawan, the head of the administration department of the state secretariat, whose buildings adjoin the state palace.

**Indonesia: Islam Advances Among Young Urbanites**  
96SE0018A Jakarta *SUARA KARYA* in Indonesian  
1 Feb 96 p 9

[FBIS Translated Text] A new religious phenomenon has been emerging over the last 15 years. Quantitatively, there has been increased intensity by urbanites and urban intellectuals in the practice and understanding of religion, particularly Islam. Unfortunately, the things that often appear in newspapers and other mass media are the dark aspects of life with negative connotations.

This religious phenomenon is an interesting study, while we also give thanks that the great intensity of city residents toward their religion is growing from day to day. At the same time, however, urban crime and immorality rates are also rising. Does this trend toward religion exist because people are more aware of their spiritual needs or simply because the urban population is increasing?

Simply look at the past. Until the end of the 1970's, it was hard to find a teenage girl in a big city wearing the veil. The influence of Western behavior and cultural tastes, which ceaselessly entered our country in the sixties, were looked on as "modern," while local culture, and Islamic culture, came then to be considered "village-like." The reason for this was that Islamic culture, saturated with Eastern ways, grew only in the villages through Islamic boarding schools, which were mostly outside the cities and were attractive only to the village community. Consequently, at that time there were groups in society who considered it strange for any city young person to want to attend an Islamic boarding school.

Because Islam-influenced culture was considered rural, Bandung residents were astonished in the early seventies when an Islamic chant group named Lingga Binangkit emerged, presenting pretty, veiled girls on stage carrying tambourines and singing chants. What surprised people was that this chant group was accompanied by modern Western musical instruments, or a "band." It was considered strange because of the view mentioned above, namely that Islamic culture was the property of rural people, whereas electric bands were the property of city people.

Gradually, big city communities became attached to this Islamic culture, especially because of this "modern" music group, so respected by city people. They became a pioneer of the growing appreciation of Islamic chants. The group was "Bimbo," which is still active in presenting songs with Islamic nuances.

The urban community nearly lost religious culture during the decade of the seventies. One evidence of that was the lack of closeness between the world of Islamic boarding schools and the urban community. Therefore, it was not surprising that during that era many teenagers and children in the big cities could not read or copy the Koran. As a result, those who were teenagers then are young parents now and are unable to teach reading and copying the Koran to their children.

Because of this trend at the end of the seventies, when the fasting month arrived, city mosques held a variety of short-term boarding school activities. Then, early in the eighties, such activities became more widespread, and teenager interests in religion also grew.

#### Role of University Campuses

The role of university campuses in the dissemination of Islam has been very great. As institutions of higher learning, universities are looked on by the community with great respect and as guides to society, especially in the cities where there is no guiding institution. It is different in the villages, because government officials at the village head level can be greatly respected guides.

University students, who sometimes have been spotlighted negatively by the mass media, have been active in disseminating religion. They have not done this at universities majoring in education or Islam alone, but they have been continuously active in religious activities at exact science universities, too.

Exceeding all expectations, university students began in the early eighties to be enthusiastic about studying the world of religion through the Mosque Family Council (DKM) and campus mosques. It used to be feared that exact science students would put aside religious



things, since the religious material in their lectures was minimal.

This expectation did not entirely materialize. At the ITB [Bandung Institute of Technology], for example, student religious activities through the Salman Mosque Education Foundation (YPM) have been numerous, especially through activities of GAMAIS (Islamic University Student Family) and during the fasting month, as now.

During this fasting month, for example, the Salman YPM at the ITB is busy with religious activities, including intellectual activities featuring well-known speakers ranging from politicians and intellectuals to high officials such as Minister of Research and Technology B.J. Habibie. For an evening fasting-month lecture, the Salman YPM plans to bring in PANGAB [Armed Forces Commander] General Feisal Tanjung.

Similar things are being done by DKM groups at other universities, who are also committed to presenting national figures and a series of religious activities. These are the ways in which campus mosques are superior to other mosques.

The spread of such religious activities began in the early eighties. We do not know whether the activities constitute fashion or need. From their sincerity and seriousness, it is clear that university students are increasingly aware of religion's role. Therefore, it is not surprising, that since the mideighties the number of women wearing veils, which used to be ridiculed, has been on the increase. Moreover, some artists now feel unhampered when they appear in that Muslim attire.

This trend has occurred because of several factors, which naturally will be discussed vigorously. One may be the oppressiveness of city life, making people want to find spiritual peace. Another may be that people who have long desired to study and understand religion found their environment unsupportive, because of, for example, the view that Islamic boarding schools belong only to rural people.

In the midst of such conditions, it cannot be denied that the role of the university campuses in the dissemination of religion is not a small one. Campuses constitute groups of the elite, particularly those of the big universities, or PTN's [government universities]. By means of the universities, dissemination of Islam gradually emerged in the cities, because the universities are able to bring in well-known people to speak on religious issues.

Another group with a big role is that of famous people, whether intellectuals, cultural figures, or well-known artists, who in the eighties dared to begin appearing as lecturers, even in Islamic dress. Initially,

they appeared on campuses. That was something that had not happened before, except for Rhoma Irama, who from the beginning called himself the "Voice of Islam." Unfortunately, because his audiences were at first only from rural society, urban communities, especially the upper classes, did not look his way.

In the early nineties, these religious activities began to spread to children. Many preschool children are active in religious things through the TKA (Koran Kindergarten) and the TPA (Koran Education Kindergarten), both of which have grown rapidly throughout the country. The result is that primary school and preschool children surpass their parents' abilities to read and copy the Koran.

All of this is a new phenomenon in the dissemination of Islam in Indonesia. Unfortunately, not all of this is visible, because the mass media tend more to present the negative aspects of young people. Journalists look for interesting things to write and report about, and "contrasting" things are usually the materials for their reports. Therefore, it is not surprising that most news reports are more about the deviant behavior of the younger generation than about their positive activities. Furthermore, the space given to religious matters in the general Indonesian press is still small.

#### **Indonesia: East Timor Development Said Progressing Rapidly**

96SE0018B Jakarta SUARA KARYA in Indonesian  
1 Feb 96 p 6

[FBIS Translated Text] Although people in certain parts of the outside world still make an issue of East Timor and specific things that have happened there, the people of East Timor clearly have enjoyed the fruits of development during the almost 20 years, since 17 July 1976, that the area has been part of the Republic of Indonesia.

A number of people in Dili, East Timor, also admit honestly that before integration, the Portuguese overseas province was in a totally backward condition as a result of about 450 years of Portuguese colonial rule. The number-one man in East Timor, Governor Abilio Jose Osoria Soares, told reporters recently that sociopolitical conditions before integration were marked by problems such as enmity among social groups and civil war. Despite these totally backward conditions at the beginning of integration, the East Timor community began to have a part in the national development process at the middle of PJP I [First Long-Term Development Phase].

Soedarto, chairman of BAPEDA [Regional Development Board] for the First-Level Region of East Timor,



stated that the participation of the people of East Timor in the national development process was preceded by a rehabilitation phase in 1976-77, a consolidation phase in 1977-78, and a stabilization phase from 1978-79 to 1981-82. East Timor entered a short-term development phase from 1982-83 to 1983-84 before entering REPELITA [Five-Year Development Plan] IV and REPELITA V.

Gradually, and with many obstacles and problems in many international forums, Indonesia was determined and insistent about developing East Timor in the same way the other 26 provinces from Sabang to Merauke were being developed. The evidence is that development in East Timor has proceeded faster than in some of the other Indonesian provinces.

In 1984-85, the "preperiod" for REPELITA IV, various development activities were conducted in East Timor as a "crash program." "Actually, from 1970-80 [as published] to 1983-84, East Timor was included in REPELITA III, but development was specifically administered under regulations from the minister of home affairs. This special treatment continued until fiscal 1985-86. It was only in 1986-87 that implementation of development in East Timor began in an overall, integrated way without specific regulations from the minister of home affairs," Soedarto explained.

It needs to be noted by all Indonesians, including those in East Timor, and by perpetrators of the East Timor issue overseas, particularly anti-integration groups and FRETELIN [Revolutionary Front for an Independent East Timor] (under the command of Dr. Jose Ramos Horta and confederates) that only Indonesia could establish the 27th province of the Republic of Indonesia. Only Indonesia dared, through specific and special attention, to lift the dignity and prestige of the East Timor people to the international level on the basis of humanitarian values and justice, as prescribed in Pancasila [ideology of the Indonesian state] and the 1945 Constitution.

Funds invested by the Indonesian Government for the development of this youngest region of Indonesia in the form of INPRES [Presidential Instructions] funds and sectoral DIP [displaced Indonesian person] are recorded at 257.8 billion rupiah in REPELITA IV and three times that amount at 621.5 billion rupiah in REPELITA V. For almost 20 years, Indonesia has been conducting development to eliminate backwardness in East Timor and has spent almost 2 trillion rupiah since 1976, Soedarto said in a recent news conference.

Despite weaknesses, obstacles, and challenges, it has been clearly shown that the government and all the people of Indonesia have a serious commitment to

developing East Timor in various sectors and aspects of life without damaging the image, culture, and traditions/customs of the East Timor people. "Thus, if it be said that newcomers have destroyed local culture and traditions during integration, such claims are simply jealousy-filled political noises," stressed East Timor integration backer Armindo Soares Mariano, who is also chairman of the GOLKAR [Functional Group] DPD I [First-Level Regional Executive Council] in East Timor.

### Rapid Progress

In the socioeconomic sector, there has been a trend toward rapid and significant improvement and progress. This is demonstrated by the growth rate of the East Timor PDRB [gross regional domestic product] during REPELITA IV, which was an average of 7.45 percent annually on the basis of constant 1983 prices. Average growths during the first two years of REPELITA V, 1989 and 1990, were 7.28 percent and 11.64 percent, respectively. The macroeconomic structure has had balanced growth. In 1983, the contribution of the agriculture sector, based on constant prices, was 44.49 percent. By 1990, it had dropped to 36.83 percent, while other sectors rose. Per capita income was still low in comparison with other provinces. Using constant 1983 prices, the per capita PDRB for East Timor rose from 134,450 rupiah in 1983 to 180,700 rupiah in 1990, an increase of 4.54 percent per year.

In other sectors, nonintensified rice production was previously only 0.5 ton per hectare but rose to 2.46 tons per hectare by 1990. INSUS [Special Intensification] and INMUM [General Intensification] productivities were 4.4 tons and 3.08 tons per hectare, respectively. Imports of rice underwent a decline. According to data from the East Timor DOLOG [Logistics Depot], East Timor had to import 22,385 tons of rice in 1989, but by 1990 the volume was 10,500 tons. It declined drastically to only 5,000 tons in 1991, and by the end of 1994 it imported only 3 tons of rice. On the other hand, cacao production increased, from 21.3 tons in 1989 to 1,960 tons in 1990.

### Television Broadcasts

Radio and television broadcasts now reach most East Timor residents, consistent with the use of automatic telephone systems, which are still limited to the city of Dili and district capitals, however. The elimination of illiteracy through use of the A and B Packages and the institution of a nine-year compulsory education program has steadily reduced illiteracy. The percentage of illiterate people 10 years old and above declined from 66 percent in 1985 (1985 SUPAS [Intercensus Population Survey]) to 58.08 percent in 1990 and to



20.18 percent at the end of 1994. This came about as a result of development in education from SD through university.

In the health sector, development in the acquisition of infrastructure and facilities has also been rapid. By 1982, there were already eight public hospitals and two ABRI [Indonesian Armed Forces] hospitals, with total capacity of 612 beds. There were 67 community health clinics, 186 branch clinics, and 858 treatment offices/integrated service posts evenly distributed in 13 districts. Medical personnel consisted of 274 doctors, 555 nurses, and 167 midwives (as of 1991). This means that the ratios of residents to doctors and nurses were 5,568 and 1,394, respectively, figures that were quite gratifying. The result was that the infant mortality rate (IMR) of 93 per 1,000 births (1985 SUPAS) declined to 85 per 1,000 births (1990 census data). According to 1992 BKKBN [National Family Planning Coordination Board] data, the IMR had dropped to 67 per 1,000 live births.

#### **Indonesia: Conglomerate Plans To Build Hyundai Auto Plant**

96SE0023B Jakarta SUARA PEMBARUAN  
in Indonesian 3 Feb 96 p 4

[FBIS Translated Text] PT [Limited Company] Citramobil Nasional (CN), a subsidiary of the Bimantara Group, will bring to realization the construction of a domestic automobile plant under an investment of \$500 million. Construction of the plant at Cikampek, West Java, will be done in phases and is scheduled for full production in the year 2000.

PT CN President Director Yongkie Sugiarto said this at a breaking-of-the-fast program in Jakarta on Friday, [2 February]. He said that as sole agent for South Korea's Hyundai, PT CN is determined to develop a sedan plant. The selection of the sedan type is in anticipation of Indonesia's commitment to AFTA [ASEAN Free Trade Area] and APEC [Asia Pacific Economic Cooperation], which are to reduce protection for sedans in eight years.

"The possibility of making other categories of vehicles, such as commercial vehicles, is not ruled out, however," he said. He added that the capacity of the plant, which is to occupy 200 hectares of land, will be about 50,000 units per year.

He also said that efforts toward construction of a domestic sedan plant must be continued. Besides the fact that the market share of the Indonesian automotive industry is quite large, such a plant should be planned in anticipation of future free trade.

"If we do not begin now, when can we come forward as an auto producer? We must be ready before the year

2003, when implementation of the ASEAN free market is to begin. On that very day, we will be able to compete with other countries in a free market," he said.

Replying to a question, he said that plans for building an auto plant in Indonesia have received serious support from the government. This, he said, was demonstrated by the deregulation of 26 January 1996, which included rescission of import fees on capital goods used by the automotive industry.

He said that the granting of exemption from import fees on capital goods needed by the automotive industry, besides attracting foreign investors to Indonesia, may also increase the enthusiasm and desire of sole motor vehicle agents in the country to build component plants. "Plants are not limited to the principals," he said.

#### **Must Come Down**

On a separate occasion, national automotive observer Soehari Sargo said that, ideally, import fees on automobiles must come down before the year 2003, which will be the deadline for initiating AFTA.

He said that this step needs to be taken so that the domestic automotive industry can be ready long before the free market is opened. Reduction of import fees, he continued, must be done on all types of imports, whether "completely built up" (CBU) or "completely knocked down" (CKD).

Soehari also said that import fees should be reduced to zero to spur the automotive industry's competitiveness and readiness for a market that will be increasingly competitive.

"Such a breakthrough will be very good for the creation of strong industry conditions so that domestic participants will be motivated and not be forever dependent on the principals," he said.

The issue was not touched on in the 26 January deregulation, however, because as far as the automotive industry is concerned, the deregulation merely provides facilities for auto plants that are restructuring their machinery. Such plants receive exemption from import fees and supplementary import fees for machinery imports.

In response to a question, both Soehari and Yongkie said they felt that even with the 26 January deregulation, Indonesian consumers will still find it hard to get cars at low prices. "That is because the deregulation itself was not directed toward prices, and Minister of Finance Mari'e Muhammad himself has stressed that he will not rescind automotive taxes," he said.



To satisfy the preferences of automotive consumers at the bottom tier, there is need for deregulation that gives true opportunity to auto and component makers to get technology by technology transfer from the principals, Soehari continued.

Hyundai is the South Korean business group that is sponsoring sales of inexpensive sedans in Indonesia through its partner PT CN. It has been confirmed that the Hyundai Accent, a 1,500-cubic-centimeter (cc) sedan, is to be marketed in Indonesia in April 1996 at a price of 40 million rupiah, following introduction of the 1,600-cc Hyundai Elentra sedan at 59.5 million rupiah.

#### **Indonesia: Government Plans To Promote Pulp as Top Export**

96SE0023A Jakarta SUARA KARYA in Indonesian  
2 Feb 96 pp 3, 9

[FBIS Translated Text] Medan (SUARA KARYA)—Although development of the Indonesian pulp industry often gets attention from various circles, particularly environmentalists, the government is determined to continue with spurring the growth of the industry to make pulp a top export.

Sujata, director general of agricultural and forestry products in the Department of Industry, said this in Medan on Thursday, 1 February, when SGS [Societe Generale Surveillance] presented ISO [International Standards Organization] 9002 certificate to PT [Limited Company] Inti Indorayon Utama. On that occasion, Erick Roger, president director of SGS Indonesia, presented the certificate to Polar Yanto Tanoto, principal director of PT Inti Indorayon Utama.

According to the director general, pulp is to be made a top export because Indonesia has comparative advantages in the industry. This includes the availability of renewable natural resources in abundant HTI's (industrial cultivated forests) and the availability of human resources for efficient production and optimal, sustainable forest management.

Director General Sujata said that Indonesia, with its large population, still has a low per capita consumption of paper. At only 14 kilograms in 1994, Indonesia has the lowest paper consumption among ASEAN countries. With increased economic activity and higher levels of education, it is clear that domestic consumption of paper can be expanded.

The director general said that the door is wide open for exports of pulp. This can be seen from the fact that current world demand has reached 163 million tons per year, of which 32 million tons represent a market for pulp. In order to seize this opportunity in

the midst of increasingly tight international competition and the imposition of "ecolabeling" regulations in the main export target countries, the steps taken by PT Inti Indorayon Utama to obtain the ISO 9002 certificate are seen by the director general as appropriate for anticipating market demand.

#### **Always Alert**

At another point in his speech, Director General Sujata said that the government is giving attention to the recently hot issues of trade and the environment. "Nevertheless, we are always alert lest environmental imperialism should emerge," he said.

He noted that, in connection with the issue of the environment and international trade, we must give attention to expanding the number of consumers who select goods for which raw materials, production processes, and waste disposal are environmentally friendly. "Therefore, if we do not want to lose out to the competition, we must be quick to react and to adopt a proactive attitude toward this situation," the director general said. He added that 80 percent of Indonesia's nonoil-and-gas exports go to countries that already have, or will have, ecolabeling regulations.

In order to compete on the market among developed countries, which have great purchasing power, the director general asked producers to manufacture goods that are environmentally friendly.

### **Laos**

#### **Lao Agriculture, Forestry Minister Returns From Thailand**

BK2302134896 Vientiane Vitthayou Hengsat Radio  
Network in Lao 1200 GMT 23 Feb 96

[FBIS Translated Text] A delegation of the Agriculture and Forestry Ministry led by Minister Sisavat Keobounphan returned to Vientiane from the Kingdom of Thailand on the afternoon of 22 February after ending an eight-day visit.

During the visit, our Lao Agriculture and Forestry Ministry delegation held a meeting with a delegation of the Agriculture and Cooperatives of the Kingdom of Thailand. In the meeting, the two sides jointly discussed cooperation in the cultivation field, including cooperation in rice farming and planting of various crops, livestock breeding, and the setting up of agricultural research and experiment centers. In this regard, our Lao delegation requested Thai assistance in training and developing technicians in the agricultural and forestry areas.



Our Lao delegation also visited some royally initiated projects from which the delegation has learned many lessons that can be applied to various projects in Laos. It also visited production establishments in Khon Kaen and Chiang Mai Provinces.

**Laos: Aide Memoir on Exchange Visits Signed with Rangoon**

*BK2302070696 Vientiane KPL in English  
0921 GMT 23 Feb 96*

[FBIS Transcribed Text] Vientiane, February 20 (KPL) — The capitals of Laos and Myanmar [Burma], Vientiane and Yangon [Rangoon], on February 18 reached here an aide memoire to their meeting during the visit to Laos by a delegation of Yangon administration.

Signing the document were mayor of Vientiane Prefecture, and mayor of Yangon.

According to the aide memoire, the two sides agree to exchange visits by administrative and technical delegations of the two capitals, to have economic and cultural co-operation, and to facilitate business relations of the two countries' businessmen.

The Myanmar delegation also invited the mayor of Vientiane Prefecture to pay a cordial visit Yangon at a proper time. The invitation was accepted.

Yesterday morning, the visiting delegation paid a courtesy visit to Somsavat Lengsavat, Lao foreign minister.

The Myanmar delegation left here for home yesterday after spending six days in Laos (February 14-19) at the invitation of the mayor of Vientiane Prefecture.

**Lao Labor, Social Welfare Minister Leaves for Burma**

*BK2302144396 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 23 Feb 96*

[FBIS Translated Text] On the morning of 22 February, Thongloun Sisoulit, minister of labor and social welfare, and his delegation left Vientiane for a five-day official visit to the Union of Myanmar [Burma]. The minister was seen off at Wattai Airport by a number of concerned cadres from the ministry. Also on hand to see him off at the airport was U Thein Han, ambassador extraordinary and plenipotentiary of the Union of Myanmar to Laos.

The purpose of this visit to the Union of Myanmar by the minister is to hold consultations with the Myanmar side to seek ways to promote cooperation between the Labor and Social Welfare Ministry of the Lao People's Democratic Republic and the Social Welfare, Relief, and Resettlement Ministry of the Union of Myanmar. During the visit, the minister is also scheduled to meet

with dignitaries of the Union of Myanmar. The meetings are aimed at further strengthening the friendly relations and cooperation between the two countries in general and between the two ministries in particular.

**Philippines**

**Philippines Officials on 'Massive' MNLF Recruitment**

*BK2702124996 Manila PHILIPPINE DAILY INQUIRER in English 17 Feb 96 p 19*

[Report by Charlie C. Senase]

[FBIS Transcribed Text] Cotabato City — Officials of South Cotabato expressed alarm over the massive recruitment of new members among people in the province by the Moro National Liberation Front [MNLF].

Dad Tuan, mayor of T'boli, South Cotabato, said at least 200 of his constituents, mostly T'boli and B'laan natives, are now undergoing training at an MNLF camp in Sinsuat Town in Maguindanao.

He said in an interview over radio station DZXM here that the recruits, who are unemployed and uneducated, have been lured by the MNLF to join the organization because of promises that they will be paid, and the land reportedly taken from them by migrants from Luzon and the Visayas will be returned to them.

Tuan said the recruitment activity of the MNLF is a violation of the joint MNLF-government cease-fire agreement.

Gen. Arturo Enrile, chief of staff of the Armed Forces of the Philippines (AFP), said he is aware of the rebel activities and asked local government units to address the problem.

But he said the AFP has remained passive in respect for the Muslims' observance of the Ramadan.

The MNLF has also been recruiting young and able-bodied citizens from North Cotabato and Sultan Kudarat and Maguindanao, Enrile said.

Some Visayan or Cebuano-speaking residents of T'boli have also joined the rebel movement, he added.

Fears of Moro rebel attacks also forced authorities in General Santos City to increase security for the coming Palarong Pambansa [National Games] in the city.

Brig. Gen. Raul Urgello, the Army's 6th ID [Infantry Division] commander, said he has requested for additional troops in Mindanao that will secure some 10,000 athletes in the Palarong Pambansa slated in April in General Santos City.



The troops will also help secure foreign-assisted projects such as the P [pesos] 1.7 billion irrigation project in Carmen, North Cotabato; the Kabulnan irrigation project in Ampatuan, Maguindanao; the PNOC [Philippine National Oil Company] oil drilling venture at Sultan sa Barongis; and the concreting work of a highway linking Marawi to this city.

**Philippines: Abu Sayyaf 'Bandits' Abduct Teacher**  
*BK2702011096 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 26 Feb 96*

[FBIS Translated Text] A school teacher was abducted by Abu Sayyaf bandits in Jolo, yesterday. The victim was identified as Aida Cablasan, 24 years old and a teacher at Notre Dame, an exclusive school for girls in (Kasangayan) Village in Jolo. The victim was forced into a yellow tamaraw [kind of public transport vehicle] by four men, who immediately escaped toward the boundary of Patikul and Talipaw. It is believed that the abduction was conducted to avenge the death of the group's 14 members and the wounding of 13 others in an encounter that took place last week.

**Philippines: Oil Import Bill Rose 18.6 Percent in 1995**

*BK2702113096 Manila PHILIPPINE DAILY INQUIRER in English 19 Feb 96 p B1, B9*

[Unattributed report]

[FBIS Transcribed Text] The country's oil import bill rose to \$2.26 billion for the whole of 1995, an 18.6-percent increase from \$1.9 billion the year before, the Department of Energy (DOE) said.

Based on its oil supply and demand highlights for the full year 1995, the energy department said the increase in the net oil import bill can be attributed to increased crude imports and higher acquisition cost of crude and petroleum product imports.

For 1995, crude importations reached 119.8 million barrels, a 32.6-percent increase from the 1994 level of 90.3 million barrels.

The country's three oil refiners — Petron Corp., Philipinas Shell Petroleum Corp. (PSPC), and Caltex Philippines Inc. — increased their refinery output last year as the volume of total refined product importation dropped by 50 percent to 15.29 million barrels, the DOE report added.

Crude cost during the 12 months of 1995 posted an average of \$16.61 a barrel, an 8.5-percent increase from the \$15.31 a barrel average crude cost in 1994. Cost of crude oil last year reached a low of \$15.28 per barrel in October and a peak of \$17.88 in April.

For petroleum products, the average cost was \$21.71 a barrel last year, 15.1 percent higher than the average cost of \$18.86 in 1994.

The country's crude requirements were almost 100 percent sourced from imports as local crude accounted for less than 1 percent of the total crude needs. Due to the continued water intrusion at the West Linapacan wells in Northwest Palawan, local crude oil supply dropped by 62.2 percent from 1.9 million barrels in 1994 to 721,000 barrels last year. The Alcorn-led consortium drilling West Linapacan eventually decided to stop production from the field.

Of the crude imports, 92.5 percent was imported from the Middle East, mostly from Saudi Arabia (70 percent). Last year, the country sourced 50.6 percent of the crude needs from Saudi Arabia. Oman and Nigeria also supplied the country with 8.7 million barrels of crude.

While crude imports increased at 119.09 million barrels in 1995 compared to the 88.43 million barrels in 1994, product imports dropped to 15.16 million barrels from 1994's 30.35 million barrels. Imported lubes and additives last year were almost of the same volume as the previous year.

The country's total export earnings amounted to \$142 million last year, a 46.1-percent increase compared to the 1994 level of \$97.2 million. The jump in export earnings was attributed by the DOE to increased volume and prices of exported petroleum products.

The Philippines is exporting more petroleum products than crude oil. Last year, the country exported 7.04 million barrels of refined petroleum products compared to the 4.9 million barrels in 1994. Crude exports declined to 686,000 barrels from the 1994 volume of 1.3 million barrels.

## Thailand

**Thai Deputy Prime Minister Annual Views U.S. Drug List**

*BK2702042096 Bangkok Radio Thailand Network in Thai 0000 GMT 27 Feb 96*

[FBIS Translated Text] Commenting on a report that the United States will cut its aid to Thailand as Thailand has been placed on a list of 31 countries supporting drug trafficking, Deputy Prime Minister Amnuai Wirawan says that the United States has for a long time had such lists of countries having drug production and trafficking problems. The report, however, also mentions countries which have seriously suppressed illicit drugs. Thailand has extended cooperation in drug suppression at bilateral and global levels. This does not mean that the United



States wants to expose Thailand. The deputy prime minister said that the United States has also praised Thailand for taking action in suppressing illicit drugs.

**Thailand: Concurrent NGO Meeting Not To Affect ASEM Security**

*BK2202050696 Bangkok THE NATION in English  
22 Feb 96 p A3*

[Unattributed report]

[FBIS Transcribed Text] Thailand is not concerned that a meeting of international non-governmental organisations will be held close to the Asia-Europe Meeting as long as it does not cause any disruptions. Deputy Foreign Permanent Secretary Sarot Chawanawirat said yesterday.

"What we are concerned about and what would not be acceptable is if (the NGOs) invite some foreigners with (police) records who could cause a disturbance during the ASEM, such as disrupting leaders' motorcades or instigating demonstrations during the meetings," Sarot said.

The international NGOs forum will be held in Bangkok on Feb 27- 29. The participants are expected to discuss issues such as human rights, child exploitation and the arms buildup in the region. The ASEM is scheduled for March 1-2.

The Thai government, as host of the ASEM at which 25 leaders of Asia and European Union countries will convene for the first time, has made it known it will try its best to prevent unwanted activists and foreigners from entering the country before and during the ASEM.

"The NGOs recently asked the Foreign Ministry's help in forwarding the results of their forum to the government. The ministry welcomed the initiative," Sarot said.

Intensive security will be provided for the leaders attending the ASEM.

Sarot noted this is the first time Thailand has had the opportunity to host an international meeting of this sort in which the leaders of two major regions convene to discuss political and economic topics.

He added that foreign embassies have cooperated by sending lists of people security staff should keep close tabs on.

**Thai CIB Identifies Major Security Risks for ASEM Summit**

*BK2502130596 Bangkok THE SUNDAY NATION  
in English 25 Feb 96 pp A1, A3*

[Report by Woranut Klaichotkhlong and Pricha Satson]

[FBIS Transcribed Excerpt] Special security measures will target extremist groups linked to four areas of conflict involving countries attending the Asia-Europe Meeting in Bangkok on March 1 and 2, a senior police officer revealed yesterday. Tourist Police Deputy Commander Pol Maj [Police Major] Sanit Miphan said his unit had been instructed by the Central Investigation Bureau [CIB] to gather and monitor the movement of foreign extremists, with particular attention to the Middle East, the Japanese Red Army, the anti-Coleombo Tamil Tigers, and the anti-New Delhi BJB [expansion unknown].

He said four areas of conflict had been identified as potentially threatening to the meeting: the territorial dispute between Japan and South Korea over Takeshima Island and Japan's nationalist movement against French nuclear testing; bubbling military tension between China and Taiwan; the civil war in Sri Lanka; and political conflicts in Burma.

Extremists involved in any of these conflicts may try to use the Bangkok meeting to voice their resentment over a particular issue or for sabotage, he said.

Preliminary intelligence reports indicated members of some of these extremists movements had already infiltrated Thailand.

Bangkok Immigration Bureau Commander Pol Lt Gen [Police Lieutenant General] Kiatisak Praphawat said this bureau had a list of 1,200 suspected foreign assassins or terrorists. The most threatening were from the Middle East, Japan, South Korea and Indonesia.

Some people had already been deported or refused entry, while others were being watched closely.

An informed source said police were also keeping an eye on local groups which could be active during the Asia-Europe Meeting: about 10,000 northeasterners led by Bamrung Khayotha, who were protesting against the government's approval of eucalyptus plantations; a southern teachers' group protesting against the killing of their leader last month; the student movement's agitation over Prime Minister Banhan Sinlapa-acha's thesis; Suphan Buri villagers protesting against the construction of government offices on their land; and a group protesting against French nuclear testing.



Meanwhile, Police chief Phot Bunyachinda has ordered more than 5,000 police mobilized in Bangkok and sensitive locations to ensure security for the leaders and delegates of 25 Asian and European nations who will attend the Bangkok meeting.

About 4,000 people are expected to be involved with the meeting, including about 2,000 journalists.

Pol Gen [Police General] Phot said security surveillance would cover the ground, air and water.

Strict security, including checks for explosives, would concentrate on three areas: Bangkok International Airport, the eight hotels the delegations will stay at, the Queen Sirikit National Convention Center, where the meeting will be held — and the routes in between.

Each leader would be accompanied by a senior police officer, and their vehicles would be heavily guarded on both sides while travelling. Traffic police would be deployed and key roads around the delegations' hotels and the Queen Sirikit National Convention Center closed at certain times to facilitate movement of the motorcades. [passage omitted]

#### **Thai Police Establish Antiterrorist Center for ASEM**

BK2602062496 Bangkok THE NATION in English  
26 Feb 96 p A2

[Unattributed report]

[FBIS Transcribed Text] The Police Department has set up an antiterrorist centre responsible for preventing foreign terrorists from disrupting the first Asia-Europe Meeting [ASEM] of 25 countries, a senior police officer said yesterday.

Deputy police spokesman Maj Gen Phairat Phongcharoen said the centre will gather intelligence, prevent terrorist activities and suppress suspect groups before and during the ASEM, scheduled for March 1 and 2.

Phairat added that the centre will facilitate police security measures during the meeting since it will be able to stay abreast of any terrorist operations perpetrated in Thailand.

"The updated information provided by the centre will enable police to react quickly to any negative operations before and during ASEM," he said.

The centre will be run by Police Chief Phot Bunyachinda.

Police confirmed reports that some foreign terrorists have already entered Thailand with the intention of disrupting the meeting. Recently police apprehended

two Japanese men suspected of being members of the banned Aum Shinrikyo (Supreme Truth) cult.

The Japanese government claims the sect was responsible for a nerve gas attack in Tokyo last year which left 10 people dead.

#### **Thailand: Banhan Plans Bilateral Talks With Leaders at ASEM**

BK2502133496 Bangkok THAILAND TIMES  
in English 25 Feb 96 p A1

[Report by Saranyu Samakrathakit]

[FBIS Transcribed Text] Bangkok — The Foreign Ministry is arranging for Prime Minister Banhan to hold one-to-one talks with several of the international leaders attending the Asia-Europe Meeting [ASEM] next week.

So far, three countries — China, the-UK and Italy — have confirmed the pre-ASEM sessions, according to Foreign Ministry's European Affairs Chief Aphinan Pawanarit.

Banhan will meet Chinese Prime Minister Li Peng, British Prime Minister John Major, and Italian premier Antonio Maccanico at Government House on Thursday.

"The premier's schedule for the bilateral dialogues has been set out, but we have not finalized it yet," Aphinan told THAILAND TIMES.

The ASEM summit starting next Friday will bring together 15 EU leaders (or their representatives), EU President Jacques Santer, and 10 Asian leaders.

These discussions will be opportunities for Banhan to introduce himself to the three leaders, said Aphinan.

The details of Italian PM's opening statement as the Europeans' representative at the summit are expected to be raised during his meeting with Banhan.

Because of the huge gulf that divides the two continents on issues such as human rights, Banhan is pushing to keep them out of the discussions.

Italy is also Thailand's sixth most important trading partner within the EU, with a \$1-2 billion trade deficit to the kingdom.

Banhan's meeting with Li Peng will most probably concentrate on economic cooperation in the Mekong sub-region, which includes southern China's Yunnan province.

Britain, on the other hand, is one of the nuclear-armed nations expressing reservations about signing the attached protocol of the Southeast Asia Nuclear-Weapon-Free Zone treaty. This will no doubt be a major topic between Banhan and John Major.



**Thai Former Minister Suphachai Interviewed on ASEM***BK2602140496 Bangkok MATICHON in Thai  
26 Feb 96 p 7*

[Interview with Dr. Suphachai Phanitchaphak, former Thai deputy prime minister in charge of economic affairs, by an unidentified correspondent; place, date not given — italicized passages in English]

[FBIS Translated Text] [MATICHON] Can you tell us the background behind the Asia-Europe Meeting [ASEM]?

[Suphachai] ASEM was first discussed at the *World Economic Forum*. (National leaders have been attending the annual conference in Davos, Switzerland for 30 years.) Lately, more attention has been diverted to Asia. In my speech at the 1993 conference, also attended by former French Premier Raymond Barre, I stressed that although contacts between Asia and Europe have been in place for more than 300 years, our investment, economic, trade, cultural, and human relations remain very rudimentary compared to the Americans, who have fostered extensive relations with our continent, particularly within the Asia-Pacific Economic Cooperation (APEC). If Europe is reluctant to come to Asia, the balance of power — especially the balance of economic power — will be disturbed. I proposed during the Uruguay Round of trade talks that a forum of ASEAN and European economic ministers be held because I assumed it was easier to organize a meeting of ministers than of state leaders. Singapore Prime Minister Goh Chok Tong suggested that the meeting should be held at the level of state leaders instead.

[MATICHON] Since this was Singapore's idea, why did that country not host the meeting? At that time, we were not really prepared to do the job.

[Suphachai] Singapore did not host ASEM because the APEC Secretariat is located there, Singapore is going to apply for enrollment in the *North America Free Trade Area (NAFTA)*, and it will host the *World Trade Organization (WTO)* ministerial meeting this year. If Singapore hosted ASEM, we would encounter many problems in dealing with the EU, APEC, and NAFTA. In particular, Singapore is now concentrating its efforts on fostering intimate relations with the United States. Meddling with Europe is not good for that.

In principle, I proposed that both Asia and Europe must improve their roles in developing political, trade, economic, social, and cultural relations. In the past, we were treated as if we were European colonies. When Macau is returned to China in 1999, it will be the first time in history that every square inch of Asia will be

free from foreign rule. In the future, *Asia value* and Asian culture will become important issues. Naturally, Europe is concerned about economics, but they are more interested in social issues. I believe the environmental problems and economic policies of each EU country have become less problematic because they can be managed under the EU framework. After the application of a single currency in 1999, the economic policies of the EU countries are likely to be merged.

[MATICHON] Will the question of disarmament be brought up for discussion during the meeting? Will it not irritate the countries involved in this business?

[Suphachai] They will talk about *rearmament*. Politically speaking, they probably admire ASEAN for having declared itself a nuclear-free zone. Meanwhile, we should ask them to explain developments regarding the *North Atlantic Treaty Organization (NATO)* and the balance of power in Europe in the future, although it has no direct impact on us. These two issues involve the United States and will have a strong impact on Russia in the future. If the communists gain power after the election in the middle of this year, security in Europe will be endangered. In particular, NATO will embrace former Russian satellites like Poland. Thailand must be aware of these eventualities, as they will have a worldwide impact.

[MATICHON] What issues has the government prepared for the talks with the EU countries? What issues do you think should be raised for discussion?

[Suphachai] I have not had a chance to talk to Amnuai (Deputy Prime Minister Amnuai Wirawan). It is reported that the development of the Mekong River basin will be a topic for discussion. I was surprised by this report, because an agency has already been set up to take care of this task. It is not our duty to speak for others. I can say that if anyone tries to play the leading role, the Mekong River basin development scheme will collapse because it is a very sensitive political issue.

[MATICHON] What format did you plan for the meeting?

[Suphachai] I did not anticipate that we would have to play the leading role. Because we want to put things into practice, we proposed that ministerial meetings be held after ASEM, as there will be many issues that require further serious discussion. My expectations for economic success from the meeting are not high because the European countries have more economic problems than we do; they want to use us as an alternative to solve their economic problems. We expect social and political results from the meeting. If they understand our social viewpoints, they can help support them. Therefore,



political and social issues should be discussed at ASEM. Our leaders must be well versed in politics and learn about the direction of EU, NATO's role, and how the EU can contribute to the fair distribution of resources.

[MATICHON] What about the proposed establishment of an Asia- Europe Business Forum?

[Suphachai] I agree with the idea. There should also be something like a *cultural forum* to handle social issues.

[MATICHON] Some European countries might not participate in the meeting.

[Suphachai] This is dangerous because it will reduce the significance of the meeting. More countries might withdraw as the date draws near.

[MATICHON] What does the United States think about ASEM?

[Suphachai] As I said before, they are watching us closely. Participation by Australia, New Zealand, and India at the next ASEM will mean the inclusion of a significant portion of APEC. This is a serious concern for the United States. For this reason, the United States must readjust its relations with the European countries and try to escalate its role in Europe without offending Russia.

The excessively rapid economic reform in Eastern Europe poses a grave concern. Will the leftist election victories in Hungary, Poland, and Russia help them return to power? This is the major problem Europe will face in the future. Their enrollment in the EU will inevitably impose a heavy budgetary burden, but it is feared that any delay in their enrollment will be beneficial to the leftists.

#### **Thai Daily on Need for 'Single Voice' at ASEM**

BK2602072096 Bangkok THAILAND TIMES  
in English 26 Feb 96 p A4

[Editorial: "EU to Use Social Issues as Instrument for Compromise"]

[FBIS Transcribed Text] "It's impossible to bar European countries from discussing the topics that 'interests' them" said our Foreign Ministry spokesman, and that was a demonstration of defeat even before the ASEM [Asia-Europe Meeting] has taken off.

At the heights of World War Two, British wartime Prime Minister Sir Winston Churchill said: "Courage is the first and the greatest of human qualities because it is the quality that guarantees all others." Not surprisingly, Asian leaders with the exception of "one" lacks that all important "courage" to guarantee all else.

What is needed is the courage to speak for Asia as a "single voice." Asia needs a couple of sincere Asian leaders on the Asian side. Asia needs more Mahathirs if Asia is to be reckoned with. A lone voice in the wilderness and others just nodding will not take Asia anywhere in its fight for universal justice, freedom, and democracy in its true essence.

Considering the current sagging economic conditions in the European Union member states as a whole, and especially, in the Union's economic giant Germany, where even one of its largest ship- building yards announced going into bankruptcy yesterday, unemployment is rising to unprecedented levels all over Europe. France's Aero-industries are also facing similar crisis levels as in Germany and are called upon to merge within the next two years if it is to survive.

Asian policy makers will need the courage to recognize the imperative factors that have led the EU and the strategies it has adopted to make inroads into the economies of Asia.

Admittedly, the integration of world economies is in the interest of those forming such unions. But as an Asian saying: "Just because the sword is of gold it does not mean one should kill oneself."

Asian economists and decision makers must recognize and differentiate between the liberalization of "financial market investments" and the "industrial market investments." The two are poles apart in theory and practice.

The former being short term quick returns, while the latter will need long intensive research and feasibility studies probably 5-10 or more years to generate profits.

While financial investment could pile up profit for the foreign or local investor in a short-term basis, industrial investment will generate economic growth in the long-term and benefit the people of the host country.

In the clamor and competition for foreign investment in Asian countries, one of vital factors overlooked is the long-term benefits for the people of their respective countries. And obviously, countries seems to represent and serve only their vested interests and their financial monopolies in their respective countries rather than the ordinary people.

Investments? yes! Asia along with Thailand, welcome foreign investment, but leaders must have the courage to draw the line when it comes to financial investors and industrial investors.

Then it may be argued: What about trade liberalization? But then, trade liberalization is tied down by the west to human rights, child labor, and other social factors. And



that makes trade liberalization itself nonexistent — one cannot have the cake and eat it — but that is exactly what both America and the European Union are doing and want to do at the ASEM.

Trade liberalization and economic reform policy liberalization has to go hand in hand together for the eradication of poverty. This cannot be the result if one or the other is left out.

The charge d'affaires of the European Union Mission in Bangkok, Daniel Descoutures, said the EU sees the March Summit as a golden opportunity to thrash out sensitive political and economic issues.

It would not help both sides to build an equal partnership if such issues were left out, as has been suggested by Thailand, he told REUTERS.

Now, that is an exposure of the big hollow outcry made in Bangkok before the ASEM by International NGOs [Non-Government Organizations] based in European capitals. It also shows the intention of the EU to blackmail and compromise with Asian leaders to gain trade concessions with "you scratch my back and I'll scratch yours" basis.

Asian leaders must take note, the reasons why both the American and European establishments are so keen and demand deregulations to financial institutions and liberalizations of financial investments as compared with industrial investments. We have seen how the issue of human rights and other social issues are made into instruments to bargain and compromise over other vital global political issues like reform to the United Nations are raised by Asian leaders at international gatherings.

Because of the obvious economic boom in Asia, it seems a "minimum risk gamble" to take part in the Asian financial markets rather than invest on their own uncertain European markets.

The English-French Tunnel stocks exemplifies the plight of domestic investment in their own backyard. That is an incentive to invest in Asia where they could rake in the profits in a short-time, while the going is good in a country and withdraw their money when there are signs and fears of economic and or political instability. This was demonstrated at the beginning of the Banhan government, when foreign investors withdrew their investment from the stock market and our SET (Securities Exchange of Thailand) index nosedived.

Asia needs a few more Mahathirs to recognize this fact and expose the hidden designs behind the Western call for trade liberalization and economic partnership. Will the ASEM produce that deficiency on the Asian side to

recognize what is behind the intentions to raise sensitive issues?

#### **Thailand: Banhan on Possible ASEM Agenda Conflict**

*BK2702141596 Bangkok Radio Thailand Network in Thai 1200 GMT 27 Feb 96*

[FBIS Translated Text] There is concern about a possible conflict over the agenda of the upcoming Asia-Europe meeting, ASEM, particularly regarding the difference of view of the Asian and European leaders on whether human rights should be on the agenda. Speaking with newsmen after today's cabinet meeting, Prime Minister Banhan Sinlapa-acha said since it would be first meeting of ASEM, no formal format had been set for the meeting. It is up to the chairman of the meeting to pick topics for discussion. In his position as chairman, he will consult informally with other Asian leaders on the direction for the actual ASEM meeting.

[Begin recording] [Banhan] I have an appointment with the Asian leaders because so far we have yet to meet with the Chinese, Japanese, and Korean leaders. I will meet with them at about 1800 for about one hour after I have received the Chinese and British leaders and the EU president. I will consult with them on their views as to the direction of the meeting. Having agreed on a common direction, at about 1900 I will meet with the EU leaders. There will be no agenda for this meeting; it will be just general issues. After these meetings, I will know the direction of the meeting on 1 March. I do not anticipate that there will be any problem [on the agenda of the formal meeting]. We will have to listen to the views of those leaders.

We must be aware of the fact that ASEM is taking place as the result of the wish of both sides, not of any side in particular. Since it is the wish of both sides, the meeting is certain to succeed.

[Unidentified correspondent] Don't you think that bringing up human rights will lead to a resolution of problems, resulting in a peaceful world, as opposed to the thinking that bringing it up will lead to a conflict?

[Banhan] There will be more time in the future to discuss human rights. A long way will have to be travelled before one can solve the human rights problem. Although it will not be on the agenda this time, it could be in future meetings, providing a consensus can be reached on it.

I would therefore like to emphasize that I want the meeting to proceed according to the common desire, to result in mutual understanding, and to achieve cohesion so that all can make investments together. The main



objective of both sides is to seek markets in each other's regions. [end recording]

The prime minister said the nuclear-free zone, a treaty which the ASEAN and Indochinese leaders had already signed, would be proposed for discussion at the ASEM. It would be of great benefit to Southeast Asia if Asian and EU leaders signed an annex to the treaty.

[Begin recording] [Banhan] The proposal was conveyed last Friday evening. It had to be discussed with the envoys, foreign ministers, and leaders of the countries concerned.

[Unidentified correspondent] Will it be in the form of a joint communique?

[Banhan] It will be an annex. I don't know if this will materialize.

[Unidentified correspondent] Do you think China and France will be agreeable?

[Banhan] In fact, France's stand is that it is ready to stop the testing of nuclear arms. [sentence indistinct]

[Unidentified correspondent] How about China? What contact have you had with China on this issue?

[Banhan] China has not been informed of this issue. [end recording]

Due to the importance of Thailand's role as host of the first ASEM, the prime minister asked the entire cabinet to attend the event. He instructed the ministers concerned to look into any protest that may occur during the ASEM.

#### **Thai Police Arrest 2d Alleged Aum Shinrikyo Cult Member**

*BK2302033296 Bangkok BANGKOK POST  
in English 23 Feb 96 p 1, 3*

[Unattributed report]

[FBIS Transcribed Text] Immigration police have arrested another Japanese man claiming he is a follower of suspected Aum Shinrikyo cult member Keijiro Ota who was arrested on Monday.

The arrest of Hiroyuki Shiyama, 31, comes as the controversy continues over whether Ota is - or isn't - a member of the doomsday cult.

Pol Col [Police Colonel] Warathep Methawat of the Immigration office which raided Shiyama's room at a guest house in Bang Lamphu [in Bangkok] said the man worked under Ota.

The Police Department earlier identified Ota as a leading Aum Shinrikyo member.

A Japanese embassy source told THE BANGKOK POST that while Japanese police do not deny the possibility of a relationship between Ota and the doomsday cult, it has yet to find evidence to confirm it.

"Allegedly Ota said something, but while we can't deny the possibility of a relation with the cult, there is still no evidence. We have to wait.

"What is certain is that he is wanted in Japan on extortion charges. We used the usual channel through Interpol and (the existing) cooperation between Thai and Japanese police to look for him," said the source.

A letter to Pol Lt-Gen [Police Lieutenant General] Kiat-tisak requested cooperation in Ota's arrest on extortion charges, not for his relations with the cult, the source said.

"The pictures (of cult members shown to the media) are general information issued to all countries. Maybe some cult members entered Thailand or other countries, but there is still no solid evidence," he said.

Tokyo will not be sending police agents to help in the investigation of the case. But agents will be flown in to escort Ota home when he is officially handed over to Japanese authorities, the source said.

For now the resident police attache at the embassy will work with Thai police the source said.

He added the Japanese side appreciated the efforts made by the Thai police in the arrest of Ota, after a request from the embassy.

Pol Col Warathep said Shiyama was arrested with another Japanese after a raid at Peer Guest House near Trok Khao San yesterday afternoon.

The other Japanese, whose identity has not been revealed, was later separately charged with possession of marijuana.

The officer said the arrest was made on a tip-off from the Japanese embassy and three embassy officials joined the interrogation at Immigration Police headquarters yesterday. No formal charges had been brought against Shiyama at the time of going to press.

Immigration Police Commissioner Kiattisak Praphawat and Police Department Director-General Phot Bunyachinda have insisted Ota confessed he is a doomsday cult member.

Meanwhile, forces safeguarding peace and order at next week's Asia-Europe Meeting will be double those protecting the ASEAN Summit, Pol Gen Phot said yesterday.



He said about 5,000 policemen will provide security to leaders of 25 Asian and European countries during the meeting on March 1-2.

The ratio between police officers and ASEM participants is 1:10, he said.

He said police forces have prepared fully for the meeting and have worked closely with foreign intelligence agencies in tracking down people who might try to enter Thailand to stage terrorist acts.

He said the Immigration Police Bureau has banned entry to people from East Timor over the past few days. The agency is also keeping a close watch on suspected members of Aum Shinrikyo cult.

Some cult members are believed to be hiding in the North, particularly in Chiang Rai, and also in Burma.

There were no reports of moves by the Irish Republican Army (IRA) to disrupt the summit, the police chief said.

#### **Thailand: Japanese Embassy Confirms Ota's Links to Cult**

*BK2402102596 Bangkok BANGKOK POST in English 24 Feb 96 p 3*

[Unattributed Report]

[FBIS Transcribed Text] Keijiro Ota, who was arrested on Monday, "supported" the Aum Shinri Kyo doomsday cult, according to the Japanese Embassy.

The revelation could at least settle the question of whether or not the Japanese man has links with the cult.

Thai police insisted Ota, 51, was an assistant leader of Aum Shinri Kyo, but some news reports have claimed he has no connection with the cult.

The Japanese national was arrested at the Mo Chit bus terminal as part of the Police Department's action to prevent any acts of terrorism from taking place during the Asia-Europe meeting [ASEM] on March 1-2.

A senior Japanese diplomat told police chief Phot Bunyachinda yesterday that his country was trying to find more information on Ota.

He said Japan would not be changing its plans concerning the ASEM summit as its leaders trust in the ability of the Thai police to ensure their safety.

The envoy presented Pol Gen [Police General] Phot with plastic flowers to thank him for assisting in the arrests of two suspected Aum Shinri Kyo cult members.

The other suspected cult member, Hiroyuki Shiyama 31, who police claim is a follower of Ota, was nabbed in a guesthouse in Bang Lamphu on Thursday.

The Japanese diplomat also presented Pol Gen Phot with a statement of appreciation for the work done by the Thai police.

Pol Gen Phot said the diplomat confirmed that the Thai police have not arrested the wrong men.

He said security has been stepped up at police border checkpoints following reports that other cult members have fled to Burma.

#### **Thai Official Details Request to Malaysia on Border Wall**

*BK2602053296 Bangkok Radio Thailand Network in Thai 0000 GMT 26 Feb 96*

[FBIS Translated Text] The chairman of the Foreign Affairs Commission called on Malaysia to suspend construction of the border wall until an agreement on a clear borderline between the two countries is reached.

Mr. Suwat Liptaphanlop, chairman of the Foreign Affairs Commission of the House of Representatives, reported on the actions being taken in connection with Malaysia's construction of a border wall, which is intruding into Thai territory in Satun Province. He said an investigation of the facts has been made, and the Foreign Affairs Commission believes there is a problem with the new borderline. He added that no conclusions on boundary stakes have been made in many areas. He said it is necessary for the two countries to reach a clear agreement on this issue. As a clear demarcation of the border has not yet been set, Thailand and Malaysia should state in a joint agreement that there can be no construction in the border areas during the pending period as this type of construction will only bring about problems in the future. He noted that the construction of this border wall by Malaysia has upset the Thai people and caused them to be suspicious.

#### **Thailand: Vietnamese Crewmen Held for Piracy**

*BK2302152196 Bangkok THE NATION in English 20 Feb 96 p A7*

[Unattributed report]

[FBIS Transcribed Text] EIGHT Vietnamese crewmen on a Thai-registered fishing boat modified to carry a machine gun were arrested yesterday for alleged piracy. Vice Adm Padoongrat Sripetch, commander of the 2nd Regional Fleet said.

The naval patrol ship HMS Karnron Sindhu spotted the boat, Sithiwat 2, yesterday morning in Thailand's Exclusive Economic Zone.

After a search of the boat, officials found an AK-47 assault rifle, an .88 calibre mounted machine gun and



a large amount of ammunition, Vice Adm Padoongrat said.

Earlier on Friday, Thai fishing boat Choke Veera radioed the Navy ship, reporting the sighting of the boat, which it suspected of trying to rob Thai fishing boats in the area, he said.

The owner of the Sithiwat 2, Arunee Sriwattanakul, said yesterday that Vietnamese authorities had impounded the fishing boat and arrested its seven crew members on Nov 25, 1994 while it was in Vietnam's territorial waters.

#### **Thailand: Telephone Cooperation Accord Signed With Laos**

*BK2302135096 Bangkok KRUNGTHEP THURAKIT in Thai 22 Feb 96 p 10*

[FBIS Translated Text] Chumphon Herabat, director of the Telephone Organization of Thailand (TOT), disclosed that TOT and the Enterprise of Telecommunications Laos, ETL, signed an agreement on telephone service and technical cooperation on 21 February.

Under the agreement, TOT will provide technical assistance to facilitate the linkage of Thailand's and Laos' communication networks.

The initial stage will include the expansion of the Bangkok-Vientiane and Vientiane-Nakhon Ratchasima telephone circuits.

The efficiency of the distance phone service between Thailand and Laos will be further improved by the construction of a microwave radio system and an underwater optic fiber cable system. Cable lines will be connected between Vientiane and Chiang Mai junctions and Tha Deua and Nong Khai junctions.

TOT will also help train Lao personnel in the necessary areas and organize observation tours for them to study telephone service work in Thailand.

Meanwhile, Padapphet Saikhot, deputy director of ETL, said that the linkage of telephone systems between Thailand and Laos is part of the optic fiber cable communication system program of the six countries in the region, namely, Singapore, Malaysia, Thailand, Laos, China, and Vietnam.

The project will cost approximately 10 billion baht (\$400 million) and is expected to be completed in 1997.

Each country is obligated to install and maintain its own system.

Padapphet revealed that Seimen Company of Germany has shown interest in installing the system for Laos.

However, bidding for the construction of the system is expected to open soon.

According to Laos' national economic and social development plan, there should be three telephone numbers for every 100 Lao people by the year 2000. In other words, there should be some 130,000 telephone lines nationwide.

Laos also plans to launch its own communication satellite, "LaoStar" and will negotiate with China and Taiwan for the allocation of an orbital slot.

#### **Thailand: Proposed Amendments to Insurance Act Noted**

*BK2202062496 Bangkok BANGKOK POST in English 22 Feb 96 p 16*

[Report by Somphon Thapphanachai]

[FBIS Transcribed Text] Foreigners will be able to hold up to 49 percent in Thai insurance companies within five years, under proposed amendments to the 1992 General Insurance Act, according to an Insurance Department source.

Foreigners can now hold a maximum of 25 percent in local insurers, and the amendment proposes to raise the ceiling to 35 percent next year.

The amendment is in line with the Government's insurance liberalisation programme, said the source. It is expected to be completed this month so that a draft can be presented to Parliament next month.

The Council of Economic Ministers has instructed the Commerce Ministry, which oversees the Insurance Department, to complete formalities related to the amendment by May.

Under the 1992 law, insurance companies in which foreigners hold more than 25 percent cannot open branches but can have representative offices.

The law affected six companies in which foreigners had acquired more than 25 percent prior to 1992, including market leader Universal Insurance Co, 99.98 percent held by foreigners as a unit of the American International Group.

The amendment would restore to these companies the right to open branches. However, the source said Universal, which has campaigned to upgrade its 11 representative offices to branches, would not benefit due to its large proportion of foreign shareholders.

In another development, the Insurance Department is planning to give greater power to its director-general to control insurance companies.



The key area of concern is the rapid growth in the number of claims staff, and similarly rapid growth in the number of complaints of unfair practices by claim-settlement officers.

Consequently, the source said, it is necessary for the Government to more closely supervise the performance of claims departments.

Commerce Minister Chuchip Hansawat supports rules that would force claim settlement officers to provide better service to the public.

The department will also ease regulations to allow more underwriters to enter the business, by waiving an earlier requirement for examinations.

The source said the department would also amend the 1992 Life Assurance Act to give authority to the director-general to set minimum refunds.

These would apply in the case of people who had held policies for specified periods on a continuous basis, but whose policies had been terminated for reasons other than the expiry of coverage.

#### **Thailand: Rising Trade Value Bolsters Competitiveness**

*BK2402120096 Bangkok THAILAND TIMES  
in English 24 Feb 96 p B1*

[Unattributed Report]

[FBIS Transcribed Text] Bangkok — Thailand is becoming even more competitive than other countries in Association of Southeast Asian Nations (ASEAN) as its trade value is annually increasing, said Board of Investment (BoI) secretary Sathaphon Kawitanon yesterday.

According to Sathaphon, Singapore is Thailand's major competitor with a trade value of nearly 70 percent of the group's transactions, the second is Malaysia, Indonesia, the Philippines and Brunei respectively.

"Thailand gained a trade surplus on Singapore as it exported more car parts and car appliances, plastic products and electric equipments. Thailand suffered the highest trade deficit to Malaysia," he said.

Thailand has the third highest production capacity of ASEAN second to Singapore and Malaysia, but it has the highest growth, 34 percent, in the group. Malaysia came second with its growth of 23 percent of the production of all countries in the ASEAN except Brunei.

Following auto industry, Thailand leads the ASEAN group in both car production and distribution including car parts. Indonesia came second followed by Malaysia and the Philippines.

At present, Thailand has the most complete Knock down (CKD) car development. Thailand and Indonesia are trying to implement sedan cars. The largest car producers in the world are for example Mitsubishi, Honda, Toyota, Ford and Mazda decided to invest in Thailand. Isuzu and Nissan plans to extend their production base while General Motors and Chrysler are undecided whether to invest in Thailand or not.

Regarding the petrochemical industry, Thailand gained petrochemical surplus over all countries in ASEAN, excluding Singapore who experienced larger production capacity due to a bigger market.

In the steel industry, Thailand tops all countries in ASEAN except for Indonesia and Malaysia, which are steel users rather than the steel producers. Their domestic steel demands are higher than their production capacity.

Regarding the pulp and paper industry, Indonesia leads the ASEAN group in both industries as it has own raw material. Indonesia possesses one third of the forest area of the world. Thailand came second in pulp and paper production in this region.

Within the cement and glass industries, Thailand has the most production capacity in ASEAN as Thailand has many years of glass production experiences. Indonesia, Malaysia, the Philippines and Singapore are next in line respectively.

Thailand is also leading in the production of textiles, although it has less machines for this industry than Indonesia.

#### **Thailand: Domestic Savings Mobilized To Counter Account Deficit**

*BK2402130496 Bangkok Radio Thailand Network  
in English 0000 GMT 24 Feb 96*

[FBIS Transcribed Text] Governor of the Bank of Thailand Wichit Suphinit says the Government has intensified its efforts to mobilize long-term savings to improve the country's current account deficit. Mr Wichit says Thailand's current account deficit now stands at 7 percent of the gross domestic product. Finance Minister Surakiat Sathianthai plans to bring down the current account deficit to 3.5 percent of the GDP. The central bank governor says Thailand depends on foreign capital to reduce the country's current account deficit. He points out that capital inflow continues because Thailand's interest rate is higher than that of the United States.

Meanwhile, President of the Siam Commercial Bank Olan Chaiprawat also stresses the need for the country to accelerate the mobilization of the domestic savings. He



says at present Thailand's population is 60 million and at least 30 million should join the savings mobilization scheme. Mr Olan says Thailand's domestic savings now stand at only 10 percent, which is considered minimal when compared to some countries such as Singapore.

### **Vietnam**

#### **SRV: Indian Leaders Receive Prime Minister, Foreign Minister**

*BK2502154496 Hanoi VNA in English  
1415 GMT 25 Feb 96*

[FBIS Transcribed Text] Hanoi VNA February 25— Indian President S.D. Sharma and Prime Minister P.V. Narasimha Rao have received on separate occasions Vietnamese Foreign Minister Nguyen Manh Cam who is now in New Delhi for the 7th session of the Vietnam-India Inter- Governmental Committee for Cooperation.

Foreign Minister Nguyen Manh Cam briefed the Indian leaders on the progress made in all areas of the Vietnam-India cooperation since the Indian visit by Vietnamese Party General Secretary Do Muoi in September 1992 and the Vietnam visit by Indian Prime Minister P.V. Narasimha Rao in September 1994.

He also reiterated that the Vietnamese party, government and people have always attached importance to the consolidation and development of their traditional friendship and comprehensive cooperation with India and will work together with the Indian side for stronger economic, commercial, scientific and technical cooperation between the two countries, making it equal to their time-tested political relationship.

The Indian leaders highly appreciated Vietnam's successes in the renovation process and its open door policy. They reaffirmed the Indian people's solidarity and fine sentiment towards the Vietnamese people in the former struggle for national independence and reunification as well as their present national development.

They also expressed their satisfaction at the development of the friendship and cooperation between India and Vietnam in the recent years, especially after the visits to India and Vietnam by Party Leader Do Muoi and Prime Minister Narasimha Rao.

Foreign Minister Nguyen Manh Cam and Indian leaders were unanimous that Vietnam and India should do their best to promote the bilateral cooperative relationship, especially in the economy and commerce in conformity with both countries' desire and potentials.

Prime Minister P.V. Narasimha Rao exchanged views with Foreign Minister Cam on orientation and measures to broaden the friendly and cooperative ties between the two countries.

At the reception, two sides agreed that in the new stage Vietnam as a full member of ASEAN and India as ASEAN's full dialogue country will have more favourable conditions to further strengthen the relationship and coordinate their activities in the fields of politics, economy and commerce in the interests of the two peoples, and for peace, security and cooperation in the region and the world over. They also expressed their belief that the results of the committee's 7th session would make active contribution to the development of the relations between the two countries.

Vietnamese Ambassador to India Nguyen Chi Vu and Indian Ambassador to Vietnam Surinder Lai Malik were also present at the receptions.

#### **SRV: Intergovernmental Committee Meeting Held With India**

*BK2602152896 Hanoi VNA in English  
1503 GMT 26 Feb 96*

[FBIS Transcribed Text] Hanoi VNA Feb. 26 — The Vietnam-India Inter-Governmental Committee for Cooperation held its 7th session in New Delhi from Feb. 22-26.

The two delegations, led by Vietnamese and Indian foreign ministers respectively, reviewed and assessed the cooperation between the two countries since Vietnamese party leader Do Muoi's visit to India in Sept. 1992 and Indian Prime Minister Narasimha Rao's visit to Vietnam in Sept. 1994 and the activities of the committee and its joint working group since the 6th session which was held in 1994.

They were satisfied at the progress of the relationship between the two countries over the past time. They focused on discussing the orientation and measures to further promote the relationship in all fields, especially to increase the economic, commercial and investment relations to be proportioned to their time traditional politic relations. They agreed to increase cooperation in industry, agriculture, transport and communications, services, science, technology and environment as well as in training and cultural exchanges.

They stressed on the necessity to increase the turnover of the two-way trade exchanges making it conform to the potential of the countries, and meet the increasing market demand of each country. The Indian side agreed to import more fine art and handicraft articles, pottery and lacquerware items, electronic goods, etc. from Vietnam and provide more consumer goods, light industrial equipment and machines, medicines and medical instruments, transportation means, etc. for Vietnam.



On India's investment in Vietnam, the two sides agreed to accelerate the implementation of approved projects on textile industry, car tyre production, sugar production, waste processing, etc.. The Indian side pledged to continue assisting Vietnam in training staffs and sharing experiences in finance, banking, science and environment.

On this occasion, two foreign ministers signed an agreement on the Indian Government's credit line to Vietnam with preferential conditions for importing Indian goods and equipment.

The two sides also signed minutes of the meeting, an agreement on scientific and technological cooperation and MOUs [memorandums of understanding] on cooperation in traditional medicine.

The two sides agrees to expedite the signing of a new trade agreement and a sea transportation agreement in a bid to create legal basis for the further cooperation between the two countries.

#### **SRV Commentary Views Relations, Cooperation With Spain**

*BK2602145696 Hanoi Voice of Vietnam in English  
1000 GMT 26 Feb 96*

[Station commentary]

[FBIS Transcribed Text] Spanish Foreign Minister Carlos Westendorp is visiting Vietnam on Tuesday [27 February] at the invitation of his Vietnamese counterpart Nguyen Manh Cam. Radio Voice of Vietnam has the following comment.

It is the first time the Spanish foreign minister visits Vietnam, and he is the highest official of the Spanish Government to be welcomed by Vietnam since the establishment of relations between the two countries. Foreign Minister Carlos Westendorp is accompanied by a number of senior officials of the Spanish Foreign Ministry. The visit is of important significance as it takes place when relations between ASEAN and the European Union and Vietnam and Spain are witnessing numerous changes. Both ASEAN and European countries are now preparing for the intercontinental summit to be held in Bangkok soon.

The visit to Vietnam by the Spanish foreign minister is aimed at establishing and developing bilateral relations and cooperation in politic, economic, and trade. Over the past years, relations between Vietnam and Spain have developed considerably. In July 1994, minister of state for foreign trade of Spain [Luis Recarlos] visited Vietnam, and in October 1994 Foreign Minister Nguyen Manh Cam visited Spain. During this occasion, the two sides signed a number of agreements, including

an agreement on investment encouragement and protection, which laid the legal foundation for the development of relations between the two countries. During the visit to Vietnam by minister of state [Luis Recarlos], an important document was concluded in which Spain promised to fund \$80 million to Vietnam. This was a preferential credit loan to promote export and import as well as investment possibility between the two countries. The loan is being utilized to help Vietnam clear payment with other countries. The Spanish Government also held that Spain always gives priority in trading with Vietnam. Spain will help Vietnam in various fields, especially in upgrading Vietnam's infrastructure, heavy industry, and financial system.

Vietnam is considered an interesting market for Spanish business circle and investors. For its part, Vietnam wants to further develop relations with Spain.

The visit by Minister Carlos Westendorp to Vietnam will usher in a new stage to promote political, economic, and trade ties as well as investment between the two countries.

#### **SRV Trade Ministry Plans To Export Two Million Tonnes of Rice**

*BK2602085796 Hanoi VNA in English  
0536 GMT 26 Feb 96*

[FBIS Transcribed Text] Hanoi VNA Feb. 26 — Vietnam plans to export two million tonnes of rice this year, according to the Ministry of Trade.

The rice will be exported directly by 15 businesses to foreign countries.

By the end of January, however, much of the rice earmarked for export remained in storage, as rice exporters had only exported 100,000 of the 480,000 tonnes they had signed contracts for, according to the Vietnam Food Export-Import Association.

The main reason is that the rice price increased before the Tet holidays, as farmers stored it for Tet sale.

The southern provinces will harvest nearly two million tonnes of winter-spring rice in the first quarter of this year, according to agricultural officials.

The 15 rice exporters licensed by the Trade Ministry include the Long An Food Co., the Tien Giang Food Co., the Dong Thap Agricultural Materials Import-Export Co., the Vinh Long Food Co., the Tra Vinh Import-Export Co., the Can Tho Food Co., the Southern Food Co., the Ho Chi Minh City Food Co., the Petec Food Co., the An Giang Rice Exporter, and the Dong Thap Rice Exporter.



**SRV: General Secretary Visits Hanoi Locomotive Enterprise**

*BK2402095996 Hanoi VNA in English  
0659 GMT 24 Feb 96*

[FBIS Transcribed Text] Hanoi VNA Feb. 24 — Party General Secretary Do Muoi has called on workers to exert greater efforts to turn the party's determination to successfully carry out the country's renovation and national industrialisation and modernisation programme.

The party leader was speaking during his recent lunar new year visit to the Hanoi Locomotive Enterprise.

"Over the past 10 years of implementation of the doi moi (renovation) policy initiated and led by the party," Mr Muoi said, "the entire Vietnamese party, people and Army have upheld the spirit of independence, sovereignty and self-reliance, uniting as one to overcome difficulties and challenges in order to survive and develop. We have recorded a high annual economic growth rate. Our socio-political stability has been ensured democracy, developed national defence and security, strengthened and external relations, extended. Subsequently Vietnam's prestige in the international arena has been heightened.

"The worker class and the trade union have played an important role in helping the country make these impressive achievements, which have changed the image of the country and improved the living standards of a majority of the population," Mr Muoi said. "The Vietnamese workers, who have always shown their firm political stance and who are aware of their historic mission, have been taking the lead in abolishing the management mechanism of centralization, bureaucracy and subsidization".

Mr. Muoi continued: Nowadays, our country is embarking on a new stage of acceleration of national industrialisation and modernisation for the set noble goal: Prosperous people, a strong country and a fair, civilised society. To that end, each worker as well as the entire working class should make full use of their own mastery, practise thrift, and fight against corruption, lavish expenditure, red tape and social vices. They should also improve their comprehensive knowledge and adopt experience in management and advanced technology in order to raise productivity, quality and efficiency so that they can accomplish their historic mission of building and safeguarding socialist Vietnam.

In the industrialization and modernization of the country, the working class does not decrease at all, but constantly grows in bigger quantity and higher quality, becoming modern working class of Vietnam. The working class will develop in many economic sectors spheres and

occupations from industry, agriculture, trade, transport and communications, services, etc. The worker-peasant-intellectual alliance has been consolidated and become the firm foundation of the entire people's great unity bloc. The contingent of workers closely connected with modern industrial economy is the core, thus greatly contributing to the whole social life.

He affirmed that "our party is of the working class's nature which manifests in its ideological foundation of Marxism-Leninism and Ho Chi Minh Thoughts, in its platform, lines and policies, in its principles of democratic centralization, in the close relationship between the party and the people, the nation, and in genuine patriotism and pure internationalism."

"With such a nature," he continued, "the CPV [Communist Party of Vietnam] is the representative of the workers, the working people and the whole nation. In that sense, the CPV is the party of the whole nation."

Nowadays, with a view to fulfilling the responsibility of the revolution leadership, defending the steady, long standing independence of the country, and building a strong, prosperous, civilized country with people free from want and care, the party has to renovate and reorganize itself, to become pure and strong, respond to the belief and expectation of the people, expand (the) entire people's great unity bloc, translate the determination of the party into the determination and strength of the entire people to successfully implement the renovation, industrialization and modernization of the country, the party leader concludes.

**SRV Officials Claim Success in Curbing Tet Inflation**

*BK2402100096 Hanoi VNA in English  
0659 GMT 24 Feb 96*

[FBIS Transcribed Text] Hanoi VNA Feb. 24 — Government officials claim that they were able to curb the traditional hike in prices for consumer goods in the days leading up to the Tet holiday.

While official figures have yet to be released, they are estimating this month's price index increase will only be between 1.5 and two percent over January's figures compared with the same period a year ago when the price index jumped 7.3 percent.

The anticipated limited festive season inflation this year is being attributed to government measures to increase a rational supply of goods nation-wide and to other pre-Tet preparations to prevent hoarding and exorbitant pricing.

While the prices of rice and foodstuff in the northern provinces were a bit lower than usual, the price of



green beans, special fragrant rice and chicken slightly increased in Hanoi.

The price of peach blossoms dropped by 40-50 percent because of the warm climate in the north before Tet preventing a proper blooming season. The average price was between VND [Vietnamese dong] 15,000-20,000 per branch.

High quality garments and ceramic tiles were among items recording slight price increases.

Gold and dollar prices also increased slightly, while the Chinese yuan currency marginally decreased in value.



## Australia

### Australia: Editorial Views Decline in Foreign Aid Budget

BK2402102196 Sydney THE SYDNEY MORNING  
HERALD in English 24 Feb 96

[Editorial; title not given — received via Internet]

[FBIS Transcribed Text] When the Hawke Government took a knife to the Australian foreign aid program in 1986, slashing it by almost 12 per cent, ministers claimed this was merely a temporary measure. In the fullness of time, they suggested, the aid vote would go up again. We should always be wary of promises like that. As the French phrase has it, Rien ne dure que le provisoire; nothing is as permanent as the temporary. Ten years after the Hawke cuts, the foreign aid budget shows no sign of recovery. On the contrary, Mr Keating and Mr Evans, those two friends of the Third World, have taken it down to a record low.

In 1969, the Gorton Government set the Official Development Assistance (ODA) level at 0.55 per cent of GNP. That was barely half the 1 per cent that the Scandinavian countries traditionally earmark for this purpose and a good way short of the 0.7 per cent recommended by the UN. But with hindsight the figure looks generous. By the time the McMahon Government left office in 1972, the level was down to 0.49 per cent. By the time the Whitlam Government had come and gone it had slipped to 0.47 per cent. After seven years of the Fraser Government the figure was 0.45 per cent. Then came Mr Hawke. He was able to hold the existing level for a while by indulging in creative bookkeeping: after 1983-84, Canberra's contribution to the education of foreign students was included in the aid figures. But his 12 per cent chop in 1986 took the level down to 0.38 per cent. His 7.5 per cent chop in 1989 took it still lower, to a record low of 0.33 per cent. Today, the percentage is again 0.33.

As things stand, there's not much prospect of an increase. The Labor Party says it will continue "to make every effort" to attain the UN target of 0.7 per cent, by setting 0.4 per cent as an interim target by 2000 and 0.5 per cent by 2005. The Coalition is even less forthcoming. While affirming its "continued support" for the UN target of 0.7 per cent, it adds that this will be done "as and when budgetary circumstances permit". Nor is that all. The Opposition Treasury spokesman, Mr Costello, has announced that the Coalition will abolish the Development Import Finance Facility (DIFF), a subsidised loan scheme used to fund large overseas infrastructure projects that have significant Australian involvement and that are of economic and social benefit. That would take the ODA/GNP ratio down to a record

low of 0.29 per cent, which is less than the OECD average.

### Australia: Polls Show Labor Closing Gap, Still Trailing

BK2402100896 Sydney THE SYDNEY MORNING  
HERALD in English 24 Feb 96

["Pollwatch" column by Milton Cockburn — received via Internet]

[FBIS Transcribed Text] At the end of the first week of the election campaign, the three major published opinion polls showed a remarkable consistency.

Both Newspoll in THE AUSTRALIAN and the Bulletin Morgan Poll in THE BULLETIN magazine had the Coalition on 54 per cent and Labor on 46 per cent. The Herald-AGB McNair Poll in this newspaper differed only slightly with the Coalition on 55 per cent and Labor on 45 per cent.

Averaging the three polls gave the Coalition 54.3 per cent and Labor 45.7 per cent — a lead of 8.6 percentage points. At the last election, Labor won by 51.4 per cent to the Coalition's 48.6 per cent.

Last weekend, after three weeks of campaigning, the polls were still remarkably consistent. Newspoll and the Morgan Bulletin Poll had the Coalition on 52.5 per cent and Labor on 47.5 per cent. Herald-AGB McNair still had the Coalition slightly ahead — 53 per cent to Labor's 47 per cent. The average of the three polls — 52.7 per cent to 47.3 per cent — gave an overall lead to the Coalition of 5.4 percentage points.

In two weeks of campaigning (that is, in weeks two and three of the five-week campaign), Labor had closed the gap on the Coalition by 3.2 percentage points. For Labor, the polls are clearly moving in the right direction but the rate of movement will have to accelerate over the final two weeks of the campaign in order to overtake the Coalition on March 2.

This weekend's round of polling, to be published on Monday (Herald-AGB McNair Poll), Tuesday (Newspoll) and Wednesday (Bulletin Morgan), will tell whether the polls confirm pundits predictions that the Coalition's campaign has stalled.

Marginal seat polling has again been a feature of polling this week, particularly in this newspaper.

A Herald-McNair Poll of 1,000 voters in the Brisbane electorate of Lilley found a 6 per cent swing against the sitting Labor MP, Mr Wayne Swan. With a margin of only 6.2 per cent, this means Mr Swan will be struggling



to hold his seat. Only Labor's superior campaigning skills in local electorates would help Mr Swan hold on.

If such a swing was typical of Queensland, as many Labor strategists fear, the Government could lose up to nine seats in that State.

This finding is consistent with a Quadrant Poll for THE COURIER-MAIL in Brisbane. Polling 900 people across the three electorates of Dickson, Hinkler and Leichardt, Quadrant found an average 8 per cent swing to the Coalition, a swing described by Quadrant's Mr Ian McNair as "remarkably consistent" across the three electorates.

Another Herald-AGB McNair Poll in the NSW [New South Wales] electorate of Page had some mixed news for Labor. Labor is struggling to hold on with the poll finding a two per cent swing to the Coalition. This swing would be enough to unseat Labor's Mr Harry Woods, who won it by only 193 votes at the last election, but is probably small enough to give Mr Woods hope that he can still hold on with a vigorous final two weeks of campaigning.

#### **Australia: Prime Minister Said To Win Leaders' Debate**

BK2602103396 Sydney THE AUSTRALIAN  
FINANCIAL REVIEW in English 26 Feb 96

[Report by Political Correspondent Tom Burton — received via Internet]

[FBIS Transcribed Text] The Labor Government has received a boost in its desperate bid to haul back the Coalition's lead in the opinion polls, after the Prime Minister, Mr Paul Keating, outperformed his opponent last night in the final leaders' debate.

Early polling suggested Mr Keating had gained a critical edge from the debate after the studio audience voted 56 per cent to 44 per cent in his favour.

While the Leader of the Opposition, Mr John Howard, performed creditably, politically he needed a stronger performance to re-establish his leadership credentials.

The result could hamper the Coalition's hopes of using the debate to kick-start Mr Howard's campaign, which stalled last week.

The Labor Party still needs a late swing to secure victory, with most of the major opinion polls suggesting the Government is about five percentage points behind the Coalition.

All the major parties are now anxiously awaiting signs of how the 20 per cent of voters who are either undecided or wavering will vote.

Previous polling suggests many of those who have opted for the Coalition are only softly committed and have parked their vote with the Opposition as a protest against the Government, rather than commitment to the Coalition.

The first indications came at the weekend, with two opinion polls showing a swing back to the Government. But the latest Australian Financial Review-Seven Network poll of key marginals shows that the Coalition has improved its standing by one percentage point.

Both leaders have scheduled a hectic round of events for the final five days of campaigning, with Mr Keating due to visit five cities in the next four days.

Labor strategists confirmed yesterday the difficulty of winning re-election. Labor needs a swing as decisive as the late swing that saw Mr Keating narrowly beat the then Leader of the Opposition, Mr John Hewson, in 1993. Without a galvanising issue such as the consumption tax, Labor is relying on voters' lack of enthusiasm for the Coalition and Mr Keating's leadership credentials to hold back the swing.

Mr Howard is expected to continue his "it's time" campaign strategy, continuing to remind voters of how long the Labor Party has had to fix unemployment, foreign debt and the current account deficit.

In last night's debate Mr Keating was more confident than in the first encounter and more in control. Mr Howard began very aggressively, but was perhaps overly shrill in his criticism of Mr Keating's credibility.

As with the first debate, Mr Keating was able to better dictate the agenda of the argument, constantly returning to his themes of wage security and economic opportunity.

The leaders spent much of the debate attacking the viability of each other's spending promises.

Mr Howard scored well when he attacked Mr Keating's weak response on fixing the current account problem.

"You've had 13 years to fix a problem that you acknowledged 13 years ago would make us a banana republic, and it's no better now," he said.

"The question Australians want to know is that if you haven't been able to fix it in 13 years, what chance have you got if you're re-elected?"

Mr Howard's weakest moment came during the debate on the environment, when Mr Keating strongly attacked the link between the sale of Telstra and the funding of the environment policy.



"It is blackmail," Mr Keating said. "The environment is a mainstream Australian issue: it deserves to be treated in its own right, funded in its own right, taken on seriously in its own right. But to be used as some sort of pawn, some sort of tactic by the Liberal Party to get its ideological way to vandalise Telstra means it's only lip service they pay to the environment."

The two leaders also attempted to undermine their opponent's credibility.

"Mr Howard sent a letter out to 4 million Australians last week saying that he would reduce the tax on savings by 25 per cent — by his own words, 4 million," Mr Keating said.

"Now he has dramatically downscaled that promise; now it's worth, for someone with average weekly earnings with \$1,000 of savings, (75%) a week.

"He might also tell me why he ran those very dishonest ads about Telstra on the Labor Party saying that we were going to privatise 51 per cent of Telstra or part of it."

In response, Mr Howard attacked Mr Keating's record on privatisation.

"You wrote to every member of the Commonwealth Bank employees union, swearing and declaring that under no circumstances would you privatise the Commonwealth Bank," Mr Howard said.

"We had the honesty and decency to put our policy on the table and you didn't. And what did you do after the election?"

"You sold half of it, and after the 1993 election, having sworn and declared you wouldn't sell the other half, in the dead of night before a Budget, you privatised the other half. Nobody believes you on privatisation. You haven't got any credibility at all."

#### **Australia: Editorial Views 'Great Debate,' Stresses Budget**

BK2602104496 Sydney THE AUSTRALIAN  
FINANCIAL REVIEW in English 26 Feb 96

[Editorial: "Sound and Fury But Little Else" — received via Internet; all dollar figures in Australian dollars]

[FBIS Transcribed Text] The second "great debate" between the Prime Minister, Mr Paul Keating, and the Leader of the Opposition, Mr John Howard, was as disappointing as the first. While there were some differences between the two encounters, the debates had one main thing in common: in neither was the crucial issue of how to put the Federal Budget on a

sound financial footing, in the process boosting national saving, seriously addressed.

As The Australian Financial Review has argued throughout the election, the last thing we need at the moment is a campaign dominated, as it often has been, by promises to spend more. Instead, the political parties should be delivering precisely the opposite — a battle for electoral victory built around genuine plans for winding back the Federal Budget deficit and, in the process, building national saving.

Such plans would have been hard to sell but certainly not impossible. What's more, the job of selling them would have been made a great deal easier due to the simple fact of both parties choosing to fight on the same ground: fiscal responsibility. With neither Mr Keating nor Mr Howard bidding for votes by holding out a fistful of dollars, the voters would have been in a much better position to assess the party platforms on their policy merits.

Although this campaign hasn't been as bad as some in the past, when the emphasis was firmly on buying votes, it has nevertheless substituted a range of new spending initiatives for real policy debate, with the latest example being Mr Howard's tax breaks on savings.

Although less extravagant than some had been predicting, they have nevertheless been costed by the Coalition at around \$230 million in a full year. Worse, this is an outlay which is likely to generate, at best, only a small lift in private saving. Given this the net end result is almost certain to be less national saving, not more.

The fact that the Coalition incorporated a tax break in its savings policy is indicative of the way this campaign has gone. In particular, whenever there has been a problem to solve the response, more often than not, has been to take the electorally easy option of spending, not cutting.

Certainly no one should be fooled by the "costings" documents released by both sides. While these documents — especially the Coalition's — came up with some worthwhile savings, they were extremely rubbery affairs.

In the case of Labor, the biggest single financial boost was produced by a foreshadowed crackdown on trusts, an initiative that is unlikely to produce anywhere near the annual target of \$800 million. What's more, a range of other revenue measures, rather than being used to cut the Federal Budget deficit, has already been allocated to new spending initiatives.

As for the Coalition, its long list of cuts included little of real substance, with the only significant policy initiatives being the discontinuation of the Development Import



Finance Facility and a tougher social security eligibility test for migrants. The best that can be said about these two steps is that they at least showed some willingness by the Coalition to take on vested interests, something the Labor Party during the election has been decidedly reluctant to do.

More than anything else, it has been the failure by both sides of politics to debate the steps which should be taken to urgently wind back the Federal Government's Budget deficit that has been the worst aspect of the campaign.

Instead of acknowledging the unpalatable reality of Australia's growing, and unsustainable, imbalance between government spending and taxation both Mr Keating and Mr Howard continue to act as if all that is required is some tinkering around the financial edges.

While it would be too much to expect either side to advocate a major overhaul of our tax system, including the introduction of a consumption tax, one or other might at least have had the gumption to acknowledge this country's serious tax problems and, perhaps, resurrect the decade-old proposal by Mr Bob Hawke, when Prime Minister, for a tax summit. While his particular summit was far from successful, a second attempt would at least put the whole tax debate back on the agenda.

In the same way, the time when the huge cost of Australia's middle class welfare can safely be ignored has long past. Issues such as Medicare co-payments, much tougher means-testing of the age pension and other welfare payments, and a possible reduction in the tax breaks given to superannuation are just some of the matters that need to be addressed urgently.

The opposing sides of politics would, no doubt, come up with quite different solutions to these tax and spending problems. At the moment, however, far from presenting Australian voters with rigorous, well-argued strategies for overcoming our Budget problems, they are merely generating sound and fury. Last night's debate was no exception.

#### **Australia: Opposition Consolidating Lead on 'Marginal' Seats**

*BK2602105696 Sydney THE AUSTRALIAN FINANCIAL REVIEW in English 26 Feb 96*

[*"Latest Polls"* column by Steve Burrell — received via Internet]

[FBIS Transcribed Excerpt] The Coalition is consolidating its hold on the marginal seats that will decide the election as the campaign enters its vital final week, according to the latest Australian Financial Review-Seven Network poll.

The poll, conducted by AMR: Quantum Harris last Wednesday and Thursday, shows the Coalition's lead over Labor increased slightly from four to five points on a two-party preferred basis across Australia's 12 most marginal electorates.

Coalition support was steady at the 48 per cent it recorded in the previous week's poll, with Labor dropping back from 44 per cent to 43 per cent as the number of voters undecided jumped one point to 9 per cent.

The tightening of the Coalition's grip on the key marginals comes despite a series of gaffes and tactical blunders early last week which threw off track its carefully stage-managed campaign strategy.

Labor's apparent failure to make up further ground in the marginals as the campaign momentum moved its way is a blow for the Government as it enters the final days of the campaign still four to five points behind the Coalition, according to national polls.

Worryingly for the Government, the AFR-Seven Network poll also suggests that it is losing some ground in the Labor-held marginal seats where previously it had been within striking distance of victory.

The poll shows that in the 10 Labor-held seats surveyed, the Coalition now holds a five percentage point advantage of 48 per cent to 43 per cent, compared with the gap of only two points revealed in the last poll taken on February 14-15.

This is bad news for Labor, which must defend a raft of vulnerable marginals in Queensland and NSW [New South Wales] to hold Government.

However, the poll also shows that the Coalition's strong grip on its own marginal seats is loosening, although it remains well ahead.

Across the two Liberal-held marginals surveyed, the previous gap of 21 percentage points in favour of the Coalition has narrowed to 9 points — 49 per cent to 40 per cent. The number of undecided voters in the Coalition marginals has also blown out to 11 per cent.

While still too far behind to win from the Coalition the Victorian seats needed to help offset likely losses in NSW and Queensland, the rapid closing of the gap and the large undecided vote holds out some hope for Labor.

Labor also continues to outgun the Coalition on the issue of leadership.

Mr Keating increased his lead over Mr Howard as preferred Prime Minister by one point, 40 per cent to 38 per cent, while Labor increased its lead on the question



of which party would provide better leadership for the nation, widening the gap by one point to 39 per cent-36 per cent.

AMR: Quantum Harris polled 1,014 voters in the marginal electorates of Macquarie, Page and Gilmore in NSW, McMillan, Bendigo and Chisholm in Victoria, Hinkler, Moreton and Forde in Queensland, Swan and Canning in WA [Western Australia], and Bass in Tasmania.

Ten are Labor-held seats and two, Chisholm and Forde, are held by the Coalition.

The poll shows that the stream of self-identified "traditional Labor voters" defecting to the Coalition across the key marginals has continued.

Labor now holds only 74 per cent of these voters, compared with 77 per cent the previous week, with 21 per cent now saying they will vote for the Coalition. In contrast, the Coalition still appears to be holding much of its traditional support, although it too has seen more of this core vote go over to the other side.

Of those identifying themselves as traditional Liberal or National voters, 89 per cent now say they will continue to vote for the Coalition, compared with 92 per cent last week.

Labor is now attracting 8 per cent of these voters, compared with only 5 per cent last week.

While heartening for the Coalition, the figures continue to suggest that a large slice of the support being peeled off Labor's heartland vote is still being "locked up" in marginal seats already held by the Coalition.

The poll shows that swinging voters also continue to prefer the Coalition over Labor: 52 per cent now say that they intend to vote for the Coalition, while only 35 per cent said they would vote Labor, down one point on the previous week.

Overall, 9 per cent of voters remain undecided, while 12 per cent of swinging voters are undecided.

The poll shows Labor still ahead on a two-party preferred basis in Victoria, 48 per cent to 41 per cent. This seven-point advantage marked a slippage of only one percentage point on the previous week's poll.

Labor also remains ahead in Western Australia by 47 per cent to 43 per cent, although this was a sharp narrowing from the seven-point gap recorded in the previous poll.

Labor's advantage in these States is also offset by strong leads for the Coalition in NSW (52 per cent to 40 per cent, compared with a 52 per cent to 42 per cent gap last poll) and Queensland (56 to 35 per cent, down one point for the Coalition).

The State breakdown of the figures has to be treated with extreme caution, however, because of the small size of the sample of voters polled in each State.

The number of voters polled in each electorate was also too small to indicate likely outcomes for individual seats.

Ahead on a two-party preferred basis, the Coalition also leads clearly by 41 per cent to 36 per cent on first preferences.

The Democrats rated 8 per cent of first preferences, up one percentage point on the previous poll, while other parties and independents were supported by 4 per cent.

The poll continued to show a clear preference for the Coalition's macro-economic, taxation and privatisation policies as well as its strategy for unemployment.

On unemployment and macro-economic management, the Coalition was favoured by 33 per cent to 29 per cent.

On taxation policy it led by 34 per cent to 24 per cent — a rapid widening of the 30 per cent to 25 per cent gap revealed in the previous poll which may reflect a favourable response to the Coalition's family tax policy released on February 18.

The Coalition was also ahead on privatisation policy by 28 per cent to 25 per cent, although that advantage has narrowed in a week when its proposal for the partial sale of Telstra emerged as a key election issue.

Respondents also clearly preferred Labor's foreign affairs, environment and health policies. [passage omitted on polling technique]

#### **Australia: Opposition Retains 'Formidable' Lead in Opinion Poll**

BK2602152496 Melbourne THE AGE in English  
26 Feb 96 (Tentative)

[From the "Australian News Digest" — received via Internet]

[FBIS Transcribed Text] The AGB McNair AgePoll shows the coalition retaining its formidable six-point two-party preferred lead over Labor despite having its worst week of the campaign. Labor trails 47-53 per cent on the two-party vote and 39-47 per cent on primaries in the poll taken at the weekend. Mr Howard's approval rating fell by four to 47 per cent, while his disapproval rose three to 43 per cent, probably as a result of his bad week, which included getting his family tax policy figures wrong. Labor still faces a difficult task to overtake the coalition in the remaining week, although state-by-state analysis indicates some positive



features for the ALP [Australian Labor Party]. While the national voting figures remain steady, there has been considerable change at state level. Victoria, NSW [New South Wales] and Western Australia have improved for Labor, while Queensland and South Australia have worsened. Labor is ahead in two-party terms in Victoria, 51-49 per cent (compared with 50-50 a week before), and has narrowed the gap in NSW, where it trails 48-52 per cent. Labor has improved in Western Australia, but the coalition's margin widened in Queensland and South Australia. Mr Keating remains preferred prime minister on 44 per cent, Mr Howard is down one to 45 per cent. The chief executive officer, research, at AGB McNair, Mr Jim Alexander, said the coalition is still in a very good position.

### Niue

#### Niue: Frank Lui Reelected Island's Leader for 3-Year Term

BK2302075096 Melbourne Radio Australia  
in English 0500 GMT 23 Feb 96

[FBIS Transcribed Text] Niue's 20-member parliament has reelected Frank Lui to be the island's leader for the next three years. In his first votes, Mr. Lui defeated Robert (Rex) Junior, son of Niue's first premier, 11 votes to nine. After his election, Mr. Lui called on members of the House to work together and put past differences behind them. The Parliament also elected John (Punaki), a retired public servant, as the new speaker. He replaces Sam Tagelagi, who had served as speaker since self-government in 1974.

### Vanuatu

#### Vanuatu: Foreign Missions Accused of Interfering in Politics

BK2402085896 Melbourne Radio Australia  
in English 0500 GMT 24 Feb 96

[FBIS Transcribed Text] In Vanuatu, former Prime Minister Serge Vohor has accused the Australian and French embassies in Port Vila of becoming involved in Vanuatu's internal politics and assisting in ousting his two-month-old government. Mr. Vohor claimed the Australian high commissioner, (Allan Edwards), had approached him on Thursday [22 February], the day before parliament was to meet an extraordinary session to elect a new prime minister but he did not elaborate.

The new prime minister, Maxim Carlot Korman, has brushed aside the allegations claiming Mr. Vohor was trying to instigate confusion and cause bad relations between Vanuatu and other countries. Mr. Carlot Korman said it was normal diplomatic practice for the head of foreign missions to seek information from political leaders. He said this was how embassies collected facts on major event so that they could accurately inform their respective governments.

Parliament elected Mr. Vohor a prime minister in succession to Mr. Carlot Korman in December following national election. After defections from his Union of Moderate Parties, Mr. Vohor resigned early this month but revoked his resignation on Tuesday [20 February]. Yesterday, parliament reelected Mr. Carlot Korman prime minister, and later the chief justice issued a court order prohibiting Mr. Vohor from claiming to be prime minister.

#### Vanuatu: Australian Ambassador Denies Interfering in Politics

BK2402091096 Melbourne Radio Australia  
in English 0600 GMT 24 Feb 96

[FBIS Transcribed Text] The Australian high commissioner in Vanuatu, (Allan Edwards), has denied a claim by former Prime Minister Serge Vohor that Australia had interfered in Vanuatu's internal affairs and assisted in the fall of Mr. Vohor's two-month-old government. A similar allegation was made against the French Embassy in Port Vila. Mr. Vohor claimed Mr. (Edwards) had approached him on Thursday [22 February], the day before parliament was to meet to elect a new prime minister but he did not elaborate.

High Commissioner (Edwards) said he'd unsuccessfully tried to see Mr. Vohor on Thursday night to seek assurances that the political crisis would be settled in a constitutional and peaceful manner. Mr. (Edwards) said he did see the deputy prime minister and senior government officials who gave the assurances. The new prime minister, Maxim Carlot Korman, said it was normal diplomatic practice for the head of foreign missions to seek information from political leaders and that Mr. Vohor was merely trying to cause trouble. Parliament yesterday elected Mr. Carlot Korman prime minister in the wake of Mr. Vohor's resignation earlier this month following defections within his ruling Union of Moderate Parties.



This is a U.S. Government publication produced by the Foreign Broadcast Information Service (FBIS). Its contents in no way represent the policies, views, or attitudes of the U.S. Government.

FBIS collects, translates, disseminates, and analyzes foreign open-source information on behalf of the U.S. Government. Its publications may contain copyrighted material. ***Copying and dissemination is prohibited without permission of the copyright owners.***

- Bracketed indicators before the first sentence of each item describe the way in which the material was processed by FBIS.
- Headlines and all bracketed explanatory notes are supplied by FBIS.
- Personal and place names are rendered in accordance with the decisions of the U.S. Board on Geographic Names as adapted by FBIS. Unverified names in radio and television material appear in parentheses and are spelled phonetically; words and phrases in parentheses preceded by a question mark are unclear in the original and deduced from context.

### **SUBSCRIPTION INFORMATION**

#### **U.S. Government Customers**

For a list of FBIS products, to subscribe to an FBIS publication, or to indicate a change of address contact:

FBIS  
P.O. Box 2604  
Washington, DC 20013-2604  
Telephone: (202) 338-6735  
FAX: (703) 733-6042

#### **Non-Government Customers**

Subscriptions are available from the National Technical Information Service:

NTIS  
5285 Port Royal Road  
Springfield, VA 22161  
Telephone: (703) 487-4630  
FAX: (703) 321-8547

New subscribers should expect a 30-day delay in receipt of the first issue.